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6 March 1986

East Europe Report

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EAST EUROPE REPORT

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AGRICULTURE GERMAN DEMOCRATIC REPUBLIC

VETERINARIANS AID LPG-VEG COOPERATION IN LIVESTOCK PRODUCTION

Jena MONATSHEFTE FUER VETERINAERMEDIZIN in German Vol 40 No 23, 1985 pp 793-797

[Article by Prof Dr H. Schwedler, Department of Veterinary Services, Ministry for Agriculture, Forestry and Foodstuffs; Code: State Veterinary Medicine, Socialist Veterinary Service,STGP (Adopted on 10 July 1985)]

[Excerpts] "Summary: Socialist Veterinary Services of the GDR - Developments and Challenge

The government-controlled veterinary group practice had been introduced in the GDR 30 years ago. An account is given of the history of the veterinary profession which had always been closely linked to class and ownership conditions in society. The opening of the first government-controlled veterinary practice on June 1st, 1955, in Leutenberg/Saalfeld District had ushered in a new phase in GDR veterinary services in keeping with progress of society at large. Reference is made to the achievements of the veterinary services in the GDR ever since, with emphasis being laid on the excellent performance of 15,000 people involved. Forthcoming priorities are expounded."

This year, members of the veterinary services of the GDR, together with the cooperative farmers and workers in the agricultural production cooperatives (LPGs) and the state-owned farms (VEGs), are celebrating a memorable result of the agricultural policy of the SED and in the history of our socialist state:

Thirty years ago, on 1 June 1955, the first state-run veterinary group practice in the GDR was founded in Leutenberg, kreis Saalfeld. Thereby a type of veterinary service for livestock production was introduced which corresponds to the socialist production conditions in the countryside.

After socialist agriculture had been strengthened, it was decided to go on to socialist intensification and gradual transition to industrial-type production methods through cooperation, which lead objectively to concentration and increasing specialization also in the area of livestock production. This posed entirely new demands on veterinarians and on veterinary medicine.

At the end of the 1960's, progressive veterinarians both in science and in practice applied their knowledge and know-how to the development and testing of industrial installations of livestock production. Naturally, this step in the development of veterinary medicine was not without conflicts. Yet the subjective reservations against such high animal concentrations--in some countries pejoratively called "animal mass production"--were overcome to the extent that we succeeded increasingly, through scientific solutions and practical testing, in combining construction techniques and animal physiological and hygienic requirements. Design engineers of the VEB agricultural construction project Potsdam, scientists of the research institutes for livestock production of the Academy of Agricultural Sciences, scientists of the Institute for Applied Animal Hygiene, veterinary scientists of the Karl Marx University, supported by many experienced farmers and practicing veterinarians; all of them constituted a firm and sworn fraternity which aided in the breakthrough of the development steps which had matured socially and objectively, as formulated by the SED. Today, almost 50 percent of all laying hens, almost all the broilers, and a large part of calves, yearlings, cows and cattle for slaughter, as well as sows, hogs and pigs for slaughter are kept in industrially produced installations where the animals number in four to six figures. These installations achieve significant and stable production performances.

Preventive measures, livestock health control, cleaning and disinfecting regimens and other veterinary medical measures have become developed to such an extent that effective and uninterrupted production can be guaranteed under those conditions if production management, subjective knowledge and know-how as well as strict observance of technological discipline are mastered. The experience garnered in the field of industrialized animal production in the socialist agriculture of the GDR is of great importance internationally. As veterinarians we are proud to have made our contribution to this development.

Applying primarily traditional technologies, a significant process of concentration and specialization in livestock production took place in the LPGs and VEGs, also. Veterinary medicine dealt with these social requirements. Cooperative veterinary work developed and linked itself even more closely with management and planning of livestock production and processing of its products.

While in a state veterinary practice the veterinarian worked alone or with a veterinary technician, a state veterinary group practice developed since the beginning of the 1970's, in which three to six veterinarians work together with an appropriate number of medium-level veterinary specialists such as veterinary engineers and technicians. This promoted significantly the effect of veterinary-medical care of livestock, scientific standards of veterinary measures through collective consultation, division of work and specialization of the veterinarians, and above all, the process of mutual education in the collective in assuming political and professional responsibility. Many managers and veterinarians of the government-run veterinary group practices have become outstanding and recognized personalities. Each veterinarian in such an establishment has his definite field of work and is responsible for certain LPGs and VEGs under the regional principle.

Integration of the veterinary collective in the installation collective and its management has proven helpful in the case of modern installations of livestock production with high animal concentrations. It ensures close linkage of the production tasks and veterinary measures in accordance with technological requirements and application of scientific-technical progress in livestock production. Cooperation of the veterinarians in managing and preparing the processes, and their share of economic responsibility, have a direct effect. This is also the case where the collective of a state veterinary group practice is assigned exclusively to caring for a modern livestock production installation.

Over-all, by carrying political and economic responsiblity, the veterinarians in individual and group state veterinary practices have more and more grown into the tasks of a close cooperation and alliance partner of cooperative farmers and workers, a responsibility firmly set down in the statute and operating rules of the LPGs of animal production, based on the law for agricultural production cooperatives. On the basis of the economic strategy of the SED, veterinarians active in primary animal production must focus on the following points of task fulfillment:

--Increasing foodstuffs and raw material supplies from livestock production, and securing the livestock through comprehensive preventive animal health care, further improvement of production hygiene, perfecting preventive health measures and animal care.
--Reducing production expenditure, lowering animal losses, and avoiding decreases in performance through further increasing the fertility and procreation performance of breeding stock; further increasing the rate of raising young animals through a systematic fight against infectious diseases and livestock epidemics and their elimination as a risk factor of livestock production.
--Making better use of the biological cycle of the animals and animal production, particularly by applying the findings of veterinary medicine to increasing performance per animal.
--Further implementing government order in the area of protecting livestock health against animal epidemics to secure state-owned and cooperative livestock property.

The SED and the government of the GDR have always ensured the development of the veterinary service according to national economic tasks. The development of working and living conditions of veterinarians and other veterinary service personnel has always been promoted with great care. The state and government have always appreciated the work of the veterinary service. Many veterinarians were recognized for extraordinary services with the National Prize, or given the title Meritorious Veterinarian, Chief Veterinary Counselor, Veterinary Counselor, and honored with national decorations.

More than 5,500 veterinary and other university cadres, 2,500 veterinary engineers, 7,000 mid-level veterinary experts and other personnel, a total of about 15,000 employees of the veterinary service, are experienced cooperation and alliance partners of cooperative farmers and workers in livestock production and the foodstuffs industry in implementing the decisions of the party of the working class and the government of the GDR. The veterinary service is a firm component of socialist state power in the GDR.

In the Ministry for Agriculture, Forestry and Foodstuffs and the bezirk and kreis councils there are special organizations of veterinary medicine. They provide
--veterinary care of animals and livestock, above all with the goal of advancing the orderly development and comprehensive intensification of socialist agriculture in the field of livestock production;
--cooperation in guaranteeing our people's health, above all through inspection of slaughter animals and meat, protecting the population from diseases transmittable from animal to man,and from harm caused by products and foodstuffs made from livestock. This also includes preventing harm from foodstuffs coming from spoilage of animals, and influencing improvement of quality and control of these foodstuffs;
--teaching and research in veterinary medicine.

Over 3,000 veterinarians in the field of livestock production work in state-run veterinary group practices and in veterinary departments of VEGs and LPGs. A corresponding number of veterinarians are employed in the veterinary hygiene inspections of the bezirk councils and in the veterinary hygiene services of the foodstuffs combines in the field of veterinary foodstuffs hygiene. In 15 bezirk institutes for veterinary services as well as in the Institute for Veterinary Pharmacology and Toxicology, they are supported by specialists for scientific-diagnostic tasks and special assistance.

Over 43 percent of veterinarians successfully concluded post-graduate university studies as special veterinarians for state veterinary sciences, cattle, hog, sheep, or poultry production, for foodstuffs hygiene, laboratory diagnostics, and for small domestic animals and pets. The tasks of securing and applying veterinary scientific progress are concentrated in four central veterinary institutes (State Institute for Veterinary Medical Testing, State Institute for Epizootic Epidemic Control, Ebers-walde Institute for Applied Animal Hygiene, Jena Institute for Research on Bacterial Animal Epidemics). The required number of veterinarians and other specialists is employed in the border veterinary service of the GDR, at the central office of the fish health service and in the bee health service, as well as in the central office for epizootoic rabies and wildlife hygiene.

Special tasks are carried out by the central office for standardization in the veterinary service, the central office for innovations in the veterinary service, the veterinary medicine section of the central committee of experts for the pharmaceutical trade, and the central committee of experts for veterinary instruments and technology.

The Dessau VEB Combine of Veterinary Vaccines has a staff of over 2,200, where production of vaccines, diagnostic aids and other bio-preparations for veterinary medicine is carried out in its main factory Dessau-Tornau as well as in its VEB combine plant "Friedrich-Loeffler-Institut Insel Riems." Efficient research sectors at Dessau and on the Isle of Riems ensure scientific-technical progress in this field. Many top performances were achieved there, and a significant export of vaccines was developed.

Of all veterinaries, 17.2 percent are women. They are employed in all sectors of the veterinary service. The great majority perform outstanding work with strong commitment.

The training of veterinarians is carried out in the field of veterinary medicine at the Karl Marx University of Leipzig and the Humboldt University of Berlin, in the sectors of livestock production and veterinary medicine. The engineering schools for veterinary medicine in Rostock and Beichlingen of the Ministry for Agriculture, Forestry and Foodstuffs train veterinary engineers for employment in veterinary establishments of livestock production, in the foodstuffs industry, and in laboratory diagnostics.

The Scientific Society for the Veterinary Service of the GDR, of which almost all veterinarians and about 90 percent of veterinary engineers are members, is in charge of the government-controlled continued education of specialized veterinary personnel. In 1984, a total of 13,623 specialized personnel received continued training within the framework of 207 scientific events held by the presidium, 9 expert commissions and 5 study groups. This also includes obligatory rotational extended training of veterinarians and specialized veterinarians.

The GDR veterinary service cooperates closely with the veterinary services and establishments of veterinary research of the USSR and the other socialist countries. In all important tasks to be tackled, there exists a stable and effective bilateral and multilateral cooperation on the basis of government agreements. Consultations among the managers of the veterinary services of the member states of CEMA ensures cooperation in strategic questions of development of the veterinary service. There exist government agreements with capitalist countries such as Austria, Italy, the FRG, the Netherlands, Belgium, and Denmark on cooperation in the area of veterinary service.

Of special importance to us is the cooperation in the International Office for Livestock Epidemics, in which 106 countries cooperate to avoid and fight animal epidemics, give impulses to scientific-technical progress in this area, and internationally standardize diagnostic methods and biocompounds.

Over-all, the GDR has an efficient and effective veterinary service, which is directed uniformly and universally in all its sectors by the Minister for Agriculture, Forestry and Foodstuffs through the veterinary-medical special section (director of the veterinary service). The veterinary service of the GDR enjoys a high international reputation. Today, the veterinary service of the GDR is even in the position of being able to offer international help to other countries, among them the People's Republic of Mongolia, the Republic of Cuba, Angola, and other African and Arab states.

Together with the cooperative farmers and workers of the agricultural and foodstuffs industry, and together with the entire working population, the members of the GDR veterinary service are preparing for the 11th SED Party Congress through new initiatives for the general strengthening of their worker-and-peasant state.

In the veterinary service,also, the goals of socialist competition in honor of the 40th anniversary of the victory over Hitler fascism and the liberation of the German people from Nazi barbarism were achieved and exceeded almost everywhere through politically responsible work and expert knowledge, supported by performance comparisons and the struggle for outstanding results.

At the veterinary congress of the GDR in 1984, members of the veterinary service discussed with Comrade Werner Felfe, member of the Politburo and secretary of the SED Central Committee, and with Comrade Bruno Lietz, Minister of Agriculture, Forestry and Foodstuffs, how they will contribute to performance growth and increased economic power in the GDR, and thus will support the securing of peace in accordance with the coordinated policy of the socialist community of states.

What tasks will we focus on in the work of the veterinary service during the coming period?

--We have to work with all our strength and persistence to further increase the results in raising young animals and to continue to reduce the losses in livestock due to death, sickness and emergency slaughter, and to keep it always at a minimum. This is the most visible expression of a high standard of livestock health in accordance with technological conditions, and has a great effect on the comprehensive intensification of livestock production.

--Reliable protection of valuable livestock in the LPGs and VEGs against epidemics and other dangers is of equal importance. Much has been achieved by securing stables and installations and increasing the impact of diagnostics and disinfection. The last meeting of the International Office of Livestock Epidemics clearly pointed out the growing danger of livestock epidemics in Europe, particularly with reference to African and classical hog cholera, foot-and-mouth disease, Aujeszky disease, and lung disease of cattle. Everywhere, we must strive for an even more persistent attitude toward protecting our livestock. Every measure of efficiency and reconstruction in livestock production must be combined with the guarantee of high standards in livestock epidemic protection.

--We must purposefully eliminate from livestock production certain livestock epidemics and infectious diseases as a production risk and cause of loss, as we succeeded earlier in the case of cattle tuberculosis, brucellosis, and infestation of cattle with warble fly larvae.

By the 11th SED Party Congress, we must succeed in freeing our hog herds from Aujeszky diease, transmittable gastroenteritis, clinical dysentery and leptospirosis. The fight must be continued against leucosis and other udder diseases causing great losses. The fight against salmonellosis in livestock production must be continued persistently through hygiene and vaccination measures. Important scientific work must be carried out in order to comprehensively eliminate other infections and diseases and to noticeably reduce the sickness rate of livestock.

--Together with livestock production institutions, we must strive for a further increase in effectiveness of artificial insemination as the dominant breeding method in cattle and hog production. It is an important basis for embryo implantation which further accelerates breeding progress, and for which we now jointly prepare the prerequisites in all cattle breeding centers.

--Further progress must be made in the field of diagnostic technology, the development of efficient methods of livestock health control, and further mechanization and automation of veterinary service processes. Although expenditures of the veterinary service were generally favorable, particularly due to expansion of significant preventive measures in livestock health care, a further increase in work productivity of the veterinary service itself is needed, i.e., a necessary increase in intensity of veterinary cooperation in livestock production.

--The government-controlled veterinary service and veterinary group practices will continue to be the determining organizational form of veterinary service in our republic. Greatest care and conscientiousness must be exercised in the collection and generalization of experiences, such as how the cooperation of veterinarians in the division-of-labor process of management and preparation of livestock production can be further increased and their responsibility expanded. This intensified work with the managing boards of the LPGs, the managements of VEGs, and the cooperation councils must above all be used to increase preventive treatment for animal health and performance.

This defines the development, goal and content of the work of the veterinary service as a firm component of the SED's agricultural and alliance policy.

On the occasion of the 30th anniversary of the government-controlled veterinary group practices, many veterinarians and other staff of the veterinary service, having co-created this development successfully and over many years, will be honored with certificates or state awards. This will enrich the socialist tradition of the veterinary service. It is both an incentive and an obligation to support with even greater commitment and effectiveness the cooperative farmers and workers of the LPGs, VEGs, in the combines of the foodstuffs industry and in other areas, in their responsible task of ensuring the food supply for all our people and achieving further performance and quality progress in honor of the 11th Party Congress of the SED.

9917
CSO: 2300/177

EAST-WEST ECONOMIC COOPERATION SYMPOSIUM

Warsaw ZYCIE WARSZAWY in Polish 25 Nov 85 p 1

[Article: "East-West Economic Cooperation Symposium in Warsaw"]

[Text] The eighth symposium, the first to be held in Poland, of the Austrian-French meetings, East-West, closed in Warsaw. Poland and Hungary were participants. The symposium attracted approximately 130 educators and banking representatives from all four countries. Under discussion were problems of monetary policies, level and basis for setting prices and manifestations of inflation as well as the effect of these factors on economic conditions that prevail between socialist and capitalist countries.

The problem of prices in socialist countries and the effect of their levels on trade was a subject of broad discussion. Problems of monetary prospects were discussed in the same way. An exchange of views indicated that strong government interventionism has been noted in these areas in western countries also. The matter of overcoming inflation and its consequences for international trade conditions was also considered.

The participation of so many representatives of banking circles from both France and Austria indicates an increased interest in cooperation of those governments with Poland. Participants in the symposium had the opportunity to meet with the minister of foreign trade, Andrzej Wojcik, and with the minister of foreign affairs, Marian Orzechowski.

2950
CSO: 2600/175

EAST-WEST TRADE DEALS REPORTED

Warsaw POLITYKA in Polish No 47, 23 Nov 85 p 14 supplement POLITYKA EKSPORT IMPORT No 22, Nov 85

[Article: "East-West"]

[Text] HUNGARY-GREAT BRITAIN: C. R. Braybrooke (Great Britain) and Magyar Huetoeipari (Hungary) concluded a joint venture agreement to sell and market Hungarian frozen fruits, vegetables and other "green" branch products in Great Britain. To increase sales, introduction of new products such as frozen cabbage, asparagus and pizza sauces has been proposed. C. R. Braybrooke has managed an agency selling Hungarian products for many years.

GREAT BRITAIN-BULGARIA: The British firm, Precision Air Control, Eden bridge, will install a climate control system consisting of two central ventilators and three climate control units in a newly constructed Bulgarian printing plant. The new printing plant, equipped with the most modern polygraphic facilities procured mainly from Great Britain, was funded by the Ludmila Ziwkowa International Foundation.

ROMANIA-BURKINA FASO: Romania recently confirmed its interest in participating in extending credit and in priority investments in Burkina Faso, including the construction of the Sahelian rail line, a manganese mine in Tambao, and cultivation of 500 ha of irrigated desert land in Sourou. The first binding agreements in this matter were concluded during the most recent meeting of the joint commission in Ouagadougou, the capitol of Burkina Faso.

YUGOSLAVIA-GREAT BRITAIN: The Yugoslavian electronics enterprise, El, signed a long-term agreement with the British firm, Rank Xerox, on the production in Yugoslavia of all types of copying machines. Production cooperation between the two firms is to develop gradually beginning with the first quarter of 1985 so that in 7 years, the value of the mutual product exchange might reach the £6.7 million quota.

HUNGARY-U.S.A.: The first lot of 15 tons of Hungarian salami found its way from New Jersey to the American market through the mediation of Universal Foods Corporation. The introduction of this traditional Hungarian smoked meat product to this market was preceded by an intensive advertising campaign organized by Universal Foods and the Hungarian Terimpex. The export of salami to the U.S.A. may soon reach a volume of 100-150 tons annually.

GREAT BRITAIN-CZECHOSLOVAKIA: The glass factory in the Teplice area ordered a complete control system for its production line from the British firm, Kent Process Control. The cost of the equipment is £750,000.

YUGOSLAVIA-JAPAN: During the next 5 years, the Yugoslavian producer of baby foods, Juvitana, plans to export products to Japan worth a total of $20 million. The Japanese firm, Wellestone Enterprise Co. Ltd., will handle the sale of 11 types of baby foods on the Japanese market.

FINLAND-USSR: The Finnish construction firm in Helsinki, YIT, received an order for work on enlarging the exposition area of the Tretyakov Gallery in Moscow. The contract includes alterations in an area of more than 10,000 m^2 and supplying and installing whole units of technical equipment. The new installation will be ready for visitors in October, 1987. The contract is worth 100 million Finnish markkas.

YUGOSLAVIA-U.S.A.: The export of Yugoslavian wine to the U.S.A. increased threefold, reaching $1.5 million. The specialists believe that the reasons for this commercial success are the larger assortment of Yugoslavian wines available and more advertising. Yugoslavia exports $5 million worth of wine annually.

SWITZERLAND-HUNGARY: The Swiss concern, Sulzer, opened an office in Budapest to promote its technology and equipment on the Hungarian market, mainly for the chemical and textile industry. At the same time, Sulzer is buying Hungarian electrical equipment to be installed in Swiss plants.

USSR-FINLAND: These countries signed an agreement in Helsinki to cooperate on environmental protection. The basic points of the agreement include joint resolution of problems dealing with rational use of natural resources and expanding measures to decrease pollution of air, water and soil and conserve flora and fauna. Plans were made to standardize methods of studying and monitoring the environment. This is the first international agreement of this type between Finland and the government of another country.

USSR-ARGENTINA: Mashpriborintorg, the USSR central office for foreign trade, signed an agreement with the government of Mendoza Province to provide meteorological instruments worth 1.3 million rubles. The instruments are expected to arrive in Argentina this year.

HUNGARY-SWEDEN: Hungarotex and Inetinvest, two Hungarian enterprises involved in foreign trade and promotion, and the Swedish firm, Moelnycke Consumer Products, established a new enterprise in Budapest with initial funding of 100 million forints. The shares of the firms are 34, 17, 49 percent respectively. Beginning next year, the new firm, Sancelia Hungary Co. Ltd., will produce disposable diapers. Of this production, 3/4 will go to the Hungarian market, and 1/4 will be exported.

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CSO: 2600/175

FURTHER REPORT ON EAST-WEST TRADE DEALS

Warsaw POLITYKA in Polish No 51/52, 21-28 Dec 85 p 23 supplement POLITYKA EKSPORT IMPORT No 25, Dec 85

[Article: "East-West"]

[Text] WEST BERLIN-USSR: Berlin-Consult GmbH, a West German engineering enterprise, received an order from the USSR to build a factory in Zaporoze, Ukraine, to produce magnetic heads for tape recorders at a rate of 880,000 units annually. The factory is to begin production in 1987. This is the second factory of this type that Berlin-Consult GmbH will build in the USSR. The cost of the contract is 32 million marks.

YUGOSLAVIA-AUSTRIA: The Yugoslav bank, Yugobank of Belgrade, concluded an agreement with the Genossenschaftliche Zentralbank A. G. in Vienna for granting credits to Yugoslavs working temporarily in Austria. Those Yugoslav workers who have open savings accounts in Yugobank will have access to credits. Individual credit will range from 10,000 to 500,000 schillings and will be granted according to conditions prevalent in Austria.

AUSTRIA-CZECHOSLOVAKIA: An Austrian information office of the firm, Festo-Maschinenfabrik GmbH, opened recently at the Polytechnicum in Koszyce. A series of lectures and exhibitions on construction and installation of pneumatic control systems and measuring equipment will take place at this center. The purpose of the seminars is to increase technical knowledge concerning pneumatic control systems, which, in the opinion of representatives of the Austrian firm, will lead to increasing Czechoslovakian orders for Festo products.

ROMANIA-THAILAND: Both countries recently signed two separate trade agreements. The first is a 3-year agreement that requires Romania to provide Thailand with agricultural machinery, tractors, artificial fertilizers, wine and alcohol in exchange for tapioca, rice, sugar and other agricultural products. The second, a 5-year agreement, pertains to exchange of similar goods, but extends the kinds of commercial goods supplied by Romania. Thailand will act as middleman in the sale of crude oil to Romania. The total value of both agreements is $260 million.

USSR-GREECE: Following a series of conferences, representatives of both countries signed an agreement for the joint construction of an aluminum plant to be located near the Greek city of Delphi, 160 km west of Athens. Construction is to begin early in 1986 and will take 5 years. At full capacity, the aluminum plant will produce 600,000 tons of aluminum annually, of which 380,000 tons will be supplied to the USSR. The technical plans of the entire investment enterprise were developed by USSR specialists. The final agreement for joint construction was reached after 6 years of discussions in which the partners worked out the details of the undertaking. The value of this investment is $480 million. Discussions between Bulgaria and Greece concerning a long-term agreement for the purchase of significant amounts of aluminum from Greece are in progress. This country has documented bauxite deposits amounting to 100 million tons.

HUNGARY-AUSTRIA: Vasert, a network of stores selling domestic articles, opened a new division in Budapest in which it will be possible to buy products of the firm, Kludi, (mainly bathroom fittings) for forints. The Austrian firm has cooperated for many years with Hungarian enterprises that supply parts and semi-manufactured products to the Vasert affiliate in Hornstein; the value of the cooperative exchanges during 13 years of mutual cooperation between Hungarian enterprises and Kludi amounted to 1.2 billion schillings. Finally, cooperative agreements were extended for 5 years; during this time mutual exchange of goods will amount to 700 million schillings.

JAPAN-USSR: The Soviet office, Technointorg, ordered a lot of 130 knitting machines from the Japanese manufacturer, Chori Co. Ltd., to be supplied to the USSR as early as in 1985.

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CSO: 2600/175

INTERNATIONAL SEMINAR ON CEMA INTEGRATION

Warsaw RZECZPOSPOLITA in Polish 28 Nov 85 p 2

[Article by A. S.: "Economic Integration of CEMA Countries, Seventh International Student Seminar"]

[Text] The seventh international student seminar, "Economic Integration of CEMA Countries," opened in Warsaw on 27 November in the Main School of Planning and Statistics. These seminars are usually organized every second year. Participating in the seminar that opened yesterday are delegates of all socialist countries, students from Switzerland and Finland and representatives of developing countries who are studying in Poland. In addition to the students, educators and representatives of the economy and of Polish foreign trade enterprises are also participating. The minister of foreign trade, Andrzej Wojcik, is the honorary sponsor of the seminar.

2950
CSO: 2600/175

ITALIAN FIRMS EXPLOIT OPENINGS IN YUGOSLAV MARKET

Milan ESPANSIONE in Italian in January 1986 publishes on pages 149 and 152 an article by Luigi Orescano entitled "Yugoslavia: A More Aligned Import." The article foscuses on Italian-Yugoslav industrial joint ventures in footwear, machinery, chemical products, fabrics, automobiles, etc. Due to Yugoslavia's negative trade balance of payments, Italian firms often rely on countertrade through specialized firms representing Yugoslav trade groups and working as middlemen. The article includes a list of some of the main trading firms operating in Italy for Yugoslavia. For the text of Orescano's article, see pages 143-146 of the WEST EUROPE REPORT JPRS-WER-86-018 of 19 February 1986.

CSO: 3528/62

ITALIAN PRESS ON OBSTACLES TO TRADE WITH BALKAN COUNTRIES

Milan ESPANSIONE in Italian in January 1986 publishes on pages 152-153 an article by Sergio Luciano entitled "The Balkans Are Beautiful When You Manage to Sell." The article cites Bulgaria's and Romania's growing interest in Italian products. Trade with Romania, however, has been hampered by Romanian problems with payments, delivery of goods, and quality of product. Trade with Bulgaria, which has suffered from recent political issues, has begun to recover only this year. Luciano focuses on the difficulties in trading with both Romania and Bulgaria, but states that countertrade in Bulgaria is declining. Also according to Luciano, machinery and technology could be the most promising sector for Italian industry in Romania. The article provides a list of some of the main commercial intermediary companies in Italy that operate with Bulgaria and Romania. For the full text of Luciano's article, see page 147 of the WEST EUROPE REPORT JPRS-WER-86-018 of 19 February 1986.

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FOREIGN TRADE IN AGRICULTURAL PRODUCTS NOTED

Prague ZAHRANICNI OBCHOD in Czech No 8, 1985 pp 2-6

[Text] Foreign trade in agricultural products in all economically developed countries, and in the international context as well, possesses certain specifics which set it apart from other groups of commodities in international trading. These distinctive features are determined not only by the biological nature of the traded products and the place food holds within the structure of necessities, but above all by the modified, administrative systems governing agriculture, an increasing turning away from market relations, and the creation of more or less independent agricultural, agricultural-food processing, or agricultural-industrial complexes in individual countries or groups of countries.

This unique position of agricultural and food production is often intensified by the impact of international trade in agricultural products.

The Czechoslovak foreign trade in agricultural products also has a number of unique features--in comparison with other groups of exported and imported goods--and taking them into consideration is one of the necessary conditions for achieving an optimum long-range development of the participation of our agricultural-food complex in the international division of labor.

The position of agricultural products in the Czechoslovak foreign trade can be described as amounting to roughly a 4 percent share of the total export and about an 11 percent share of the total import during recent years. In conformity with the developments on the worldwide scale, the share of foodstuffs and agricultural products in the total turnover is decreasing. Nonetheless, during the initial 3 years of the Seventh 5-Year Plan the average turnover was 230 percent higher than in 1960.

Table 1. Czechoslovak Foreign Trade in Agricultural Products (in million Kcs fco)

Year	Value of Export	Index	Value of Import	Index	Value of balance in mil Kcs fco	Index
1960	943	100	4,158	100	-3,161	100
1970	1,209	128	6,071	146	-8,463	154
1980	3,876	411	12,914	311	-9,038	286
1981	3,790	402	12,523	301	-8,733	276
1982	3,879	411	13,115	315	-9,242	292
1983	3,461	367	11,758	283	-8,297	262

Definition by items in CEMA classification

8--foodstuffs
7--raw materials for food processing
6--livestock on the hoof
58--fodder, concentrated and in bulk
55--seeds and seedlings
59, 102--artificial gut (cutisin and viscose gut)
510--plant fibers
511--wool
530--raw materials for tanning and leather
56--ether oils, exotic resins, medicinal and technical healthcare raw materials (of plant origin)
57--fats and oils for technical purposes (of animal and plant origin)
590--bristles, animal hair and other raw materials of animal origin

Note: A passive balance, with regard to the proportions of imports and exports, reflected, in those years when prices of agricultural products were rising, this fact even when the physical volume of import and export was changed significantly.

A positive feature of the long range development is a faster growth of exports in comparison with the growth of imports, resulting in a higher defrayal of imports by exports. While during the Fifth 5-Year Plan such defrayal amounted to 20 percent, during the initial 3 years of the Seventh 5-Year Plan it reached 30 percent. The dynamic growth of agricultural production and food production, which is manifest in the substantially increased degree of self-sufficiency of Czechoslovakia in agricultural production of the temperate zone, is not, however, fully reflected by a decline of the deficit balance in foreign trade in this branch. This is the result of certain structural changes in imports and exports. The deficit balance, the reduction of which is one of the basic goals of our agricultural complex (ZPoK), has actually been stagnating for the last several years. In comparison with 1970, it has been 80 percent higher during the initial 3 years of the Seventh 5-Year Plan.

On the whole, one can characterize the development of foreign trade in agricultural products and foodstuffs as permanently passive, with long range higher dynamics of exports as compared to imports, while during the last 5 years there has been a visible stagnation in the growth of foreign trade balance in this sector, with the volume of the passive balance remaining unchanged overall.

Considering the fact that in the total value of imports of the Czechoslovak agricultural-food complex are included also non-competetive products and agricultural raw materials of non-food nature--and their share has been increasing significantly--the quantified degree of defrayal of imports by exports and the passive balance cannot be considered to be indicative of the self-sufficiency in the basic kinds of foods. Were the quantification made only for products of the temperate zone, the degree of defrayal of imports by exports during the last several years would amount to roughly 49-55 percent.

Non-essential categories of goods in foreign trade are not altogether appropriate for quantifying groups of products of the temperate zone and non-competitive products, or rather to define "basic foodstuffs." Similarly, a methodical delimitation of products of the agricultural-food complex does not enable us to sufficiently extrapolate the proper foods and alimentary raw materials out of the total production of the branches, or its foreign trade. To explain the development and changes in the composition of Czechoslovak imports and exports, or the disparity between the growth in self-sufficiency and an inadequate decline of the foreign trade deficit in agricultural products, one can point to the typical changes in the product mix in imports and exports.

It is obvious that typical for the product mix of imports of foodstuffs and food raw materials is the decline of the share of basic food commodities, i.e., grains, meat, oil plants and oils, and milk products (the import of those fell between 1970 and 1982 to 6 percent), while on the other hand the share of non-competitive items rose considerably, comprising mostly fodder --such as oily groats, oil-cakes, or fishmeal--coffee, cocoa, tea, and fruits and vegetables--specifically citrus fruit.

Table 2. Development of the Product Mix of Agricultural Imports (shares of products groups in values fco in the total value of imports of the Czechoslovak agricultural complex in percent)

Group	1960	1965	1970	1979	1980	1981	1982	1983
Grains	27.1	20.4	16.0	15.4	15.3	7.9	9.6	6.3
Meat and fattened cattle (1)	11.6	6.8	9.9	3.1	3.5	2.6	2.7	6.3
Fodder (2)	1.3	5.7	3.5	8.3	10.8	12.6	9.4	10.0
Oil seeds (3)	10.9	10.0	8.2	5.0	2.4	3.1	5.0	4.5
Fruits and vegetables (4)	2.1	4.4	5.0	14.7	15.5	18.0	16.7	15.7
Coffee, cocoa, tea	2.7	2.7	4.8	7.5	7.4	5.9	5.2	5.9
Total share of above mentioned groups	55.7	50.0	47.4	54.0	54.9	50.1	48.6	45.9

Explanatory notes:

(1)--sub-groups 719, i.e., fattened cattle on the hoof and sub-group 800, i.e., meat and canned meats, smoked meat products, killed poultry.
(2)--group 58, i.e., concentrated and bulk fodder
(3)--sub-groups 720, oil seeds and fruits and sub-group 841, edible vegetable oils
(4)--sub-group 83, fruits, vegetables, berries and other fruits.

The implementation of nutritional policy in Czechoslovakia, which rests among other things on the improvement of the composition of nutrition, where the weak link is the excessive caloric intake and an insufficient provision of needed vitamin C, led to an improvement in supplying the domestic market with fruits and vegetables, also by means of imports. The low level of self-sufficiency in fruits and vegetables became apparent in the composition of exports of this branch by a marked increase of the share of this group, the change having been caused by higher import prices. At the beginning of the Seventh 5-Year Plan the physical volume of imports of tropical fruits was five times that of 1960, but the average price per ton was more than triple. Fruits and vegetables became the largest group of imports of all the agricultural foreign trade.

There have been however, other changes in the structure of imports, and they are the reason for the insufficient reduction of the deficit balance and to a certain degree obscure the positive results achieved in the growth of self-sufficiency in basic kinds of foods. They concern primarily the increase in the value of imported agricultural non-food commodities, mostly wool, plant fibers, raw materials for tanning and leather. In the composition of imports of the branch in 1983, wool accounted for 5.6 percent, raw materials for tanning and leather 6.7 percent, and plant fibers for as much as 13.8 percent of the total value. This high percentage is the result of a significant increase of import prices.

Whereas, then, during the Fourth 5-Year Plan the determining import commodities of the Czechoslovak agricultural complex were grains, meat and meat products, an oil seeds, in the initial years of the Seventh 5-Year Plan the focus of imports of the branch has been in fruits and vegetables, plant fibers, raw materials for tanning and leather, and albuminous fodder. The increase in self-sufficiency in agricultural products of the temperate zone is, on the other hand, reflected in a continuing decline of some previously dominant import groups, some of which have even become at the present time viable items of the branch export. The fulfillment of the pivotal task of our agricultural complex, decreed by the 15th and the 16th Congress of the Czechoslovak Communist Party, namely achieving self-sufficiency in the production of grains and improving self-sufficiency in the basic kinds of foods, is therefore significantly reflected in the product mix of both imports and exports, while its impact on passive foreign trade is, from the viewpoint of the total concept of our external relations, positive, the situation in the active foreign trade being by no means quite as clear-cut. The changes in the composition of agricultural exports are basically the result of two causes. The first one, closely connected with the growth of self-sufficiency, lies in the rapid development of domestic animal production, accompanied by parallel growth in, and modernization of appropriate capacities of, the food processing industry; also lead time in animal over plant production, resulting in overstocks of animal products that indicate cutbacks in production. The other lies in the reduction of export activity in the so-called traditional export commodities, overwhelmingly those of plant origin, as a result of markedly slower modernization and an inadequate expansion of the capacities of corresponding export branches of the food industry, resulting from a slower rate of growth of labor productivity not only in the area of raw materials of plant origin, but also in the final processing branches. The outcome of these parallel trends then is a change in the export product mix of our agricultural complex, the rationality of which is debatable.

Table 3. Development of the Product Mix of Czechoslovak Agricultural Exports (shares of the product groups in fco values in the total value of imports of the Czechoslovak agricultural-food complex in percent)

Group	1960	1965	1970	1979	1980	1981	1982	1983
Meat (1)	5.0	11.5	11.2	11.8	11.3	16.3	18.7	14.6
Sugar	21.4	19.4	15.0	10.3	23.6	11.6	4.9	5.4
Beer	4.3	2.9	6.5	12.2	9.6	11.5	11.3	12.2
Malt	13.6	13.3	13.0	9.1	9.4	8.2	8.0	8.2
Fruit and Vegetables (2)	3.0	5.7	7.6	7.3	7.2	8.5	5.4	7.3
Dairy products (3)	1.9	2.0	4.1	7.0	5.5	7.3	7.0	9.1
Hops	5.1	7.3	8.3	7.0	6.3	5.0	6.7	7.1

Explanatory notes:

(1)--sub-group 800 of CEMA classification, meat, meat products, smoked meat products and killed poultry
(2)--group 83, fruits, vegetables, berries and other fruits
(3)--sub-group 802, milk products exclusive of butter

In the 1960's the share of traditional key commodities, that is raw brewery materials, beer and sugar, represented 45 percent of Czechoslovak agricultural exports, in the Fourth and Fifth 5-Year Plans still roughly 43 percent, but at the beginning of the Seventh 5-Year Plan not quite 33 percent. On the other hand, dairy products and meat (in the 1960-1970 period the net-import group) have been used in the Czechoslovak exports of the agricultural complex at the beginning of the period up to about 7 percent, in the 1970's already up to 15 percent, and in the Seventh 5-Year Plan just these two groups of animal products amounted to about 25 percent of the total export. All animal products (including butter, eggs, fattened cattle, etc.) represented more than 38 percent of the Czechoslovak exports of this branch in 1983. At the same time, their export has been directed mostly to developed non-socialist countries. In the total active foreign trade with these countries the share of animal products in the first 3 years of the Seventh 5-Year Plan has been more than 48 percent.

These trends in the changing of the composition of exports cannot be considered desirable, especially because they are having a negative impact on the overall economic profitability of the foreign trade of the branch, and are weakening the specialized profile of the participation of the Czechoslovak agricultural complex in the international division of labor. Animal products, which are part of our export assets, are produced with the help of fodder which we import, and the greatest part of the imported fodder we use comes from the area of non-socialist countries. Even though we have been successful in cutting the share of imported fodder per unit of animal production, the encumbrance of our animal production by imported raw materials has been considerably higher than in the case of the traditional export assets of plant origin. More than that, our animal production, in comparison with plant production, is less effective in the area of agricultural production according to the standards of the developed countries. Studies done during the past 6 years, with the aim of expressing labor productivity in individual branches by means of assumed world prices, proceeding, similarly as other analyses, from price relations of domestic producer prices, evince the considerably higher differences in labor productivity in comparison with the developed countries in animal production and lesser difference in plant production. (Footnote 1)

And finally, indicators of economic effectiveness in the long-range average also confirm the lower profitability of the Czechoslovak exports of most animal products in comparison with traditional plant products. The specific problem of the absolute growth of our export of animal products is also its territorial structure and absorption of its products into purchasing markets resulting therefrom.

The weakening of the specialized profile of our agricultural exports as a consequence of the above mentioned trends, is evident not only within the framework of our participation in CEMA, but also within the Czechoslovak agricultural complex itself. Branches which have been oriented particularly toward exports show a weakening in that direction and branches oriented in the past almost exclusively to the domestic market are tending toward exports.

Footnote 1) The coefficients of the relationship between world assumed prices with the purchase prices of Czechoslovak plant and animal production, used for a schematic illustration of the comparison of the level of labor productivity, were in the case of plant production in 1977 0.6514 up to 0.7386, while in the case of animal production they reached the value of 0.4428 up to 0.5263. A lower coefficient signals a greater difference between world assumed prices and Czechoslovak purchase prices, or wholesale prices. (Tucek, P.: Relations of world assumed prices and purchase prices in animal and plant production in 1977-1982, established with the assistance of principal representatives of CSR agricultural production. Study of VUSPR, Bratislava, 1984).

Table No 4. Changes in the Share of Exports in Total Czechoslovak Production of Selected Commodities (in percent)

Commodity	1968-1970	1971-1975	1976-1980	1981-1982
Refined sugar	31.3	26.6	23.8	20.1
Malt	43.8	40.9	40.2	38.3
Hops	57.8	63.3	64.0	56.3
Beer	4.4	5.6	9.3	8.9
Meat and Meat Products	2.2	1.7	1.9	3.8
Dairy Products	2.2	2.6	4.8	5.4

These changes also bring about consequences in the area of productions, planning, and investment activities. Through the increase in the export of animal products, which is oriented predominantly toward the developed non-socialist countries in Europe, we are further increasing the volume of deliveries of CEMA member countries to that market, which, in the given commodities, is and undoubtedly will be overextended. Even though our share of exports of meat and meat products to the countries in question is thus far not significant, this trend should not be considered as merely conjectural in the long run.

Table No 5. Share of Meat and Fattened Cattle in the Total Agricultural Import by Selected Countries of the European CEMA Countries (Percent of value in dollars)

Importing countries	1976-78	1979-81	1980	1981	1982
a) share of import from European CEMA countries including USSR					
German Federal Republic	27.0	36.9	32.4	48.0	49.5
France	39.3	28.2	36.3	28.6	49.5
Italy	68.6	57.7	75.0	50.3	55.1
Great Britain	25.6	15.5	18.5	10.7	10.5
b) share of import from European CEMA countries excluding USSR					
German Federal Republic	33.7	44.7	39.2	59.3	61.3
France	66.5	49.5	63.7	53.7	40.0
Italy	80.1	78.2	84.8	64.0	65.1
Great Britain	46.0	27.3	30.4	21.8	20.2

Le Commerce Europeen Des Produits Agricoles, Economic Commission for Europe, No ECE/AGRI 77.

The high share of a single commodity groups--meat and fattened cattle--in the transfer of goods of agricultural type from the European CEMA countries to

West European countries points out the inadequate diversification of agricultural exports and indicates ensuing risks. An interesting aspect of this specialization is the fact that in most countries of Western Europe plant products predominate in their own agricultural exports. From a certain point of view, export of animal products could be considered economically desirable, inasmuch as they have a higher finalization with a higher added value in comparison with plant products. Most of the West European countries nevertheless assign a lesser share to animal products in the composition of their agricultural exports, even countries with a high level of livestock breeding and state of the art parameters in this type of production, as well as countries with a high degree of self-sufficiency in animal production. As an example one can cite the German Federal Republic, with a 42.5 percent share of animal products in its total agricultural export, Belgium--37.0 percent, France--30.2 percent, the Netherlands--43.2 percent, and Great Britain--merely 28.9 percent in 1981. Even if the generally followed trends, that is to export final products having a higher share of domestic labor. lead under optimum conditions to a more effective foreign trade, one cannot universally apply this tendency also to all products of an agricultural nature. In certain instances, products with a higher degree of processing tend to accumulate ex price instruments of defrayal (various subsidies), which happens comparatively often in practically all the developed countries. From the point of view of the exporting country, then, the export of agricultural raw materials and semi-finished products could be more advantageous, considering the lower share of interventions, grants, and other government ex-cost instruments expended on them. Obviously, what concerns us here is the specific approach of individual countries toward the financing of agriculture, or of the food processing industry, and the level of attainable prices. Despite that, it is also necessary to take this characteristic feature of agricultural production and export into consideration when formulating the concept of the product mix of our foreign trade in agriculture.

The question of the product mix of our exports is closely tied to the economic effectiveness of the integration of the agricultural-food complex into the international division of labor. The economic profitability of the export of food and agricultural products is connected directly on one hand with the extent of the differences between the development of costs and the development of prices, that is to say, with the degree of governmental influence on the economic procedures in the sphere of food production in countries which determine through their participation the situation in international markets, and on the other hand with comparable specific features of the agricultural-food complex in our national economy.

Not considering the demonstrable fact, that the populations in tens of developing countries are starving, that on the worldwide scale there is a long-term shortage of the basic kinds of foods, and that from the viewpoint of insufficient supplies in a number of countries the theoretical potential for marketing exportable agricultural goods is growing, economically advantageous marketing of determining basic agricultural commodities is increasingly becoming a problem for most of the exporting countries. The reasons for this trend, which has been growing stronger lately, rest mostly in the following factors:

--a number of formerly importing countries are striving to increase self-sufficiency in basic nutritional categories. At the same time, for strategic reasons they are energetically pursuing a build-up of their own agriculture and food processing industries, even when the costs of their domestic production exceed several times those of the potential costs of corresponding import. To this category belong primarily many countries of the Middle and Near East, North African countries and important exporters of crude oil, but also some countries in South America;

--the self-sufficiency of countries in Western Europe is rising dramatically, they are increasingly more active as exporters of agricultural and food products. In certain non-traditional commodities, the self-sufficiency of Far Eastern countries is also on the rise. The largest importing countries are emphasizing priority development of their domestic agricultural production, and the results, even at the cost of a considerable burdening of state budgets, show up not only as restrictions of imports, but often as exports of surpluses of basic agricultural products;

--growth of self-sufficiency is being very vigorously pursued in socialist countries, particularly in CEMA member countries. Exports show parallel increases, not only in the CEMA framework, but also to the markets of developed non-socialist countries and developing countries;

--stagnating and falling prices on the international markets of certain important commodities, caused by concurrent good harvests and small increases in consumption resulting from economic crises in non-socialist countries, and consequent losses in imports, are being compensated for by some agricultural countries increasing production and coincidentally increasing their export supplies, by which they further compound the weakening of prices (sugar, grains);

--the ineffectiveness and repeated break-downs of certain measures on the worldwide scale to regulate production or exports (wine, sugar, grains, hops);

--high indebtedness of a number of importing countries, particularly developing ones, which leads to an inability to pay, and therefore to a restriction of imports.

Among the mentioned circumstances, the one that stands out is the nature of agricultural production, given its biological nature and the limitation of structural changes, very limited possibilities for improvements, above-average costs of storage, climatically determined range of products and other circumstances restricting the flexibility of production and ability to adapt more quickly to external circumstances, and thus also to the situation on the international markets.

The focus of the problem of the profitability of exports or agricultural products lies nevertheless in the disparity of prices on the international markets, the domestic prices structures, and the average worldwide or regional costs of agricultural or food processing production. Various forms of support for agriculture and food processing out of state budgets, interventions, grants, and other forms of subsidies given in individual countries to agriculture at various stages of the vertical food processing production ladder--from pre-production stages up to end products for the foreign trade--make it difficult to map out and identify the composition of costs and other economic categories necessary for comparison and consequent decisions. The agricultural policies in most of the developed and in many developing countries, motivated by social, political, ecological, and other considerations, lead to the creation of more or less artificial price levels in the production of food, and funds provided out of state budgets to support exports keep distorting to a constantly greater degree the natural reflection of costs in prices on the international market. This complicates the possibility of achieving comparable advantages on the basis of lower production costs in comparison with those on the worldwide scale.

The nature of agricultural production, the dependency of its volume on weather, socio-political risks of a more drastic economic interference in agriculture, and above mentioned endeavors for self-sufficiency result, among other things, in over-production, often produced with obviously higher costs than the average regional costs for a given commodity, which is then--because that is practically the only way to make use of it--exported on the basis of a proportionately high government subsidy.

The consequence of the cumulative effect of the above mentioned, as well as other production, price, market and political factors, is the fact that prices of agricultural commodities on the international market do not reflect either in the short run, or in the long run, the level of the average costs of a given production, and therefore cannot be an objective criterion of effectiveness in the international context. One can cite several examples.

Sugar

In 1984, price of sugar on the international market fell to a level which did not equal the cost of its production in any of the producing countries. Considering the fact that for many of the producing and exporting countries of cane sugar this commodity is the only, or the basic, agricultural staple, and a crucial part of their income from foreign trade comes from sugar, some of them reacted to the situation by taking measures to increase production. Diversification in countries which produce beet sugar is very difficult, given the system of government regulation of prices and the over-production of many other, alternative agricultural products in developed countries. In August 1984, for example, the EEC granted a subsidy of approximately $350 per ton of exported sugar, in a specific case for the export of roughly 50 thousand tons of refined sugar. To compare--the concurrent LPD (London daily price for white sugar) was $143.5 per ton. Despite this situation, which, because of its extreme nature obviously cannot continue for long--one cannot expect that most of the producing countries will show a stronger inclination to cut back on production.

Grains

In 1983 average subsidies in EEC for export of wheat were $50 per ton, in 1982 as much as $80 per ton. In the current season the supplies of grain in the Community are 27 percent higher than the expected demand; the supplies of wheat are 45 percent higher. The Chinese People's Republic has entered the grain market as an exporter, so has India. China is exporting corn at prices which are 10-15 percent lower than prices of corn from the U.S. Austria, which in the middle of the 1960's was still importing almost one million tons of grain yearly, during the past 6 years exported almost 2.5 million tons of grain. In 1984, Austrian export was estimated at 0.9 million ton. A subsidy of 990 million schillings was used for the export of 750,000 tons from last year's harvest, half of it coming from the state budget. The total subsidy for grain export amounted to about 1.1 billion schillings. Sweden is exporting grains--wheat and oats at prices 400 Swedish kroner per ton lower than the domestic price paid to farmers. Even though the domestic prices paid to producers in the U.S. are relatively closest to world prices, the government is subsidizing the export. According to U.S. data, the federal programs for building and maintaining irrigation systems and ensuring their operation, and for erosion prevention, amount to as much as several billion dollars each year.

In specialized publications one can find data about expeditures out of the EEC budget for storing agricultural surplus, which are reaching astronomical figures. From time to time the reserves are sold off, or exported, at symbolic price which do not cover by any means the cost of buying the stored products. In 1984, for example, butter was exported, bought from trigger stockpiles by a special grant of 330 ECU/t; later this subsidy was raised to 345 ECU/t. This increase was of course in addition to the current rate of export subsidies for butter exported to third world countries, which, depending on the amount of fat in the butter, amounts to 940-1.810 ECU/t. Since November, exporters of butter have been buying butter from trigger stockpiles for export to third world countries with a discount of 1.415 ECU from the trigger price of 3,197 ECU/t. Even though this concerned butter from stockpiles (6 months old), it is obvious what the loss amounts to from such transactions, which are by no means isolated occurrences. Similar operations in foreign trade have been noted in the past also in the case of other commodities (poultry, eggs, dried milk, meat, etc).

The theoretical level of the economic effectiveness of exports of agricultural products in the last several years can be deduced approximately from the relationship of domestic prices paid to agricultural producers for basic agricultural products, and prices in foreign trade, or prices in basic markets, average import and export prices, or world prices. Despite the fact, that with the exception of the Hungarian People's Republic we do not have at our disposal data on the effectiveness of agricultural exports, the hypothetically arrived at values of relations between domestic producer prices and prices in foreign trade prove the high probability of economic unprofitability of actually realized or potentially realizeable exports of major agricultural products of the temperate zone in most European non-socialist countries.

Table 6. Comparison of World Prices of Wheat and Corn with Prices Paid to Farmers in EEC and Austria
(Yearly averages in dollars per 1.000 kg)

Year	World prices*		Prices in EEC**		Prices in Austria**	
	wheat	corn	wheat	corn	wheat	corn
1977	105	98	172	177	186	185
1978	131	105	200	202	214	212
1979	163	119	217	224	234	228
1980	176	129	229	239	228	210
1981	177	131	200	209	235	189

*--wheat: U.S., Hard Winter No 2, ordinary protein, FOB Gulf Ports corn: U.S., No 2, Yellow, FOB Gulf Ports
**--wheat: unweighed average of prices paid to farmers for all aualities, 16 percent moisture, including duty on added value corn: unweighed average of prices paid to farmers, all types of uses, including duty
***--wheat: average of all qualities, exclusive of duty
corn: average for all qualities, exclusive of duty
Source: Price of Agricultural Products and Selected Inputs in Europe and North America, Annual ECE/FAO Price Review No 31 EUROSTAT, Bruxelles, FATUS; USDA.

Identical conclusions can be made by comparing indexes of domestic producer prices with prices of corresponding commodities on the international market. (Prices paid to agricultural producers increase even when there are declines in prices on basic markets, or world prices).

From the data on average export prices and average purchase prices in individual countries one can deduce, with a greater or lesser degree of inaccuracy, also the hypothetical value of the relationship between the domestic prices and prices realized in export, thus a certain analogue of a differential indicator. Calculations have been made purposely for comparable agriculturally developed West European countries, costs which are charged against the product in the phase between the place of sale to farmers and the place designated by the parity of price not being taken into consideration. For example, the hypothetical values of the mentioned simplified differential indicator for the export of potatoes in 1982 would be 88 in Denmark, 82 in the German Federal Republic, 81 in Belgium, 67 in the Netherlands and Austria, and only 43 in Italy. The relationship of the price paid to producers and the potentially achievable export price, deduced from the price of the basic market, or rather similar transactions of goods of comparable quality, the roughly corresponding differential indicator would be in the case of export of feed barley from Denmark 50, from France 58, and from the German Federal Republic 43. By comparing the average purchase price of eggs in the German Federal Rebublic in 1981 and 1982 with the average import price of eggs to the German Federal Republic (exclusive of duty), we can ascertain a corresponding coefficient for the year 1981 in the amount of 84 and for 1982 in the amount of 79. Prices paid to farmers for 100 kg of wheat of comparable quality or lesser quality in West European countries in

1981 moved in the area between $20-27, in 1982 between $19-25. Parallel export prices of U.S. and Canadian wheat (of higher quality) were at the level of $18.2 per 100 kg, $17.05 per 100 kg, in 1982. Average import prices of wheat (Unit Values) to individual West European countries were in some countries even lower than the prices paid to their own producers. Comparable relationships can be found in the case of corn and other commodities. The closest relationship of prices paid to producers and export prices, or prices paid on the international market, exists in the U.S. and Canada. But in these countries, too, in some years the yearly average price paid to farmers is higher than the yearly average of export prices of identical goods. With regard to the fact, that from the moment of purchase up to the place determined by the parity of price in the foreign trade, increases in costs occur, it is obvious that prices paid to producers are in the majority of cases higher than prices on the international markets. Even though this discussion of price relations is hypothetical and only illustrative, it is possible, looking also at other similar findings, to deduce that current export of basic agricultural commodities from developed non-socialist countries can hardly be economically profitable for the exporting countries. At the same time we need to add that a number of developed West European countries show prices paid to producers up to 200 percent higher than the West European average. Where we are talking about importing territories, these data were not taken into consideration (for example, Switzerland).

The increasing participation of governments in balancing the cost of production of agricultural products and food, without regard to what other subsidies are granted to agriculture from other sources, is an almost universal phenomenon, not only in the developed countries but also in a number of the developing countries. To quantify the share of subsidies out of state budgets that go into agricultural production is, because of the considerable variety of forms they take, almost out of the question. Nonetheless, it is obvious that the price in the basic market, the world price, or other prices in foreign trade, do not express the comparable costs for a given commodity on a worldwide or regional scale. Political, social, and sometimes also ecological factors, linked to agriculture and production of basic foods, constitute a priority for many countries. A relative overproduction of food stuffs and agricultural products in developed countries leads to a worsening of conditions for selling on corresponding markets, for strengthening the competitive struggle, and shows up logically enough in the area of prices. The mentioned trend is manifest especially in the case of products of the temperate zone, therefore products of the developed countries. A number of products of the tropical and subtropical agriculture understandably do not fall into this approximate category and their supply on the world market lags behind the demand, and thus their prices keep rising. Developed countries are vigorously increasing their exports of agricultural products. Whereas the worldwide export of all agricultural products including fish and forestry products in the period of 1977/79 came to $228 billion on the average, the export of developing countries was $70 billion of that amount, but the export of developed countries was $158 billion. In 1981 the world export of agricultural products reached a total of $299 billion, of that amount the export of developed countries came to $215 billion, but that of the developing countries was only $84 billion. In the period of 1970/81 the average yearly increase of the physical volume of exported agricultural products of developed countries was 5.6 percent a year, of the developing countries only 1.7 percent.

Even though the share of the Czechoslovak export of agricultural products is insignificant in the context of the mentioned trends, it still holds an irreplaceable position in our external economic relations. Paying attention to worldwide developments or regional trends is one of the key conditions for further rational growth. Assessing the possibilities which arise from cooperation within the CEMA framework is not possible without taking into account worldwide developments. The integrated market of the socialist countries is, because of certain specifics, the market of the developed countries, and is not without influence on the above mentioned trends, and vice versa.

Considering the nature of agricultural production in the developed countries, primarily in Europe, there is an expected overproduction of the main products of the temperate zone by the year 2000, which nevertheless will not have a fundamental impact on the worldwide shortage of food, considering the fact that developing countries will be able to solve their food problems only by improving their own agriculture. The same conclusions have been reached also by the European Economic Commission of the United Nations in their studies in previous years. Certain incentives for the Czechoslovak foreign trade in agricultural products arise from these conclusions, which will have to be taken into consideration and incorporated into the planned production of export assets. The problem is the more urgent the faster the self-sufficiency in basic agricultural products grows and creates potential production surpluses, which in part affect exports.

It appears that the causes of a low economic effectiveness of our exports of agricultural production, or rather in the difference between those costs and average regional costs, but for the most part in the unconformable base of prices in the basic markets which, because of the growth in the volume of production and the stagnation in sales, is often lower than the average regional costs of a given production. These observations could, considering the expected continuation of these trends, lead to unreasonable restrictions of our agricultural exports. The Czechoslovak agricultural export is nonetheless the source of extraordinary advantages, is a profitable segment of our foreign trade contacts with certain important areas, and is for a number of reasons irreplaceable.

Its long-term direction, leading to a growth of economic profitability, will answer the needs of our national economy to the extent to which we will succeed in optimalizing its product mix with an appropriate lead-time. The improvement of the composition of the branch export will first of all require that in the case of some commodities we give up in part some positions which today are hard to defend and which are rooted in past traditions. The fundamental and wholly deciding precondition for increasing the competitiveness of Czechoslovak agricultural products on international markets is and will be the closest cooperation with individual sectors of the agricultural complexes of CEMA member countries, the closest coordination of the planning and commercial activities with sister socialist countries. Only this road can lead to a progressive long-range cooperation in the framework of European agriculture, to the abolition of unrealistic duplicated activities, and a step by step removal of obstructions in the international agricultural trade. The character and extent of the Czechoslovak agricultural complex determine to a certain degree the possibilities for our effective participation in the international division of labor in this sphere. It is obvious that the shifting of the focus of our export activities should be directed to brand products and specialties, to export of agricultural products with a high level of improvements, such as improved seeds and seedlings, specialized food products of the highest quality, etc.

The effort to increase the economic effectiveness of the agricultural exports will demand primarily the selection of profitable export branches and giving them preferable investment treatment, and further it will require re-evaluating the creation of export assets on the basis of improvisationally produced surpluses. Certain measures in this respect have already been taken.

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MINISTER VIEWS CHANGED NEED TO IMPROVE INDUSTRIAL EFFICIENCY

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[Article by Eng Ladislav Gerle, candidate of sciences, deputy premier of the CSSR: "Through Changes Toward Efficiency"]

[Text] The Seventh 5-Year Plan has come to an end. Of the results known thus far we can state that the basic line of economic and social policy, which had been adopted by the 16th Congress of the CPCZ, and which is anchored in the law pertaining to the Seventh 5-Year Plan, will, essentially, be adhered to.

At the 16th congress a fundamental task was assigned to the engineering-metallurgical complex--to assure the modernization of the production-technological base, to master export tasks and deliveries for the domestic market on a qualitatively higher level. The congress assigned high rates of development to the engineering industry and particularly to the electrotechnical industry. In so doing, it placed great emphasis on the growth of the technical-economic level of production, on shortening the innovative cycle, and on speeding up scientific and technical development. In planning to halt the quantitative growth of the metallurgical industry, the congress turned its attention particularly to the qualitative aspects of products.

Better and Worse Results

The results of the Seventh 5-Year Plan confirmed that the engineering-metallurgical complex, which accounts for 43 percent of overall industrial production, generally successfully met the demanding tasks levied upon it. However, it is a fact that the results could have been better had all possibilities of technical development, organization and management, modernization and reconstruction been utilized and, last but not least, had the quality of production been increased.

High increments in production were achieved particularly in the areas of electronics and microelectronics (microelectronic circuits, instruments for automated regulation, telecommunications facilities, machines for data processing) and by some areas of consumer goods (particularly color television sets). Above-average development rates were recorded by areas supporting the development of fuel extraction, energy, and hydraulic power. Areas whose products possess prerequisites for exports to nonsocialist countries also developed more rapidly. On the other hand, development of areas experiencing intensive material use, particularly of imported materials, as well as areas which experienced difficulties with sales abroad, were experiencing slower development.

A number of successful machines and installations were developed, for example, the technological installations for VVER-440 nuclear power plants and surface quarrying technology, conveyor belt equipment, electric and combustion locomotives, trolleybuses, steam and water turbines, metal-forming and metal-cutting machines with computer numerical controls, cargo trucks, construction machinery, agricultural machinery and tractors, printing machines, textile machines, and installations for the chemical industry. A number of new types of consumer goods were introduced.

The expansion of areas important to the national economy was supported by seven state goal-oriented programs. Production in related areas increased, in comparison with the previous 5-year plan, by 178 percent. Last year, its share in total engineering production was 8.5 percent.

In metallurgy, while the production of pig iron stagnated, emphasis was placed on intensifying the production of steel and rolled materials, which led to improving the structure of metallurgical products, as well as leading to the growth of their utility characteristics. Steel produced by the oxygen converter method accounted for 40.5 percent (steel produced by the oxygen process alone accounted for more than 70 percent), electric steel accounted for 14 percent, and continuously cast steel to 8 percent of total steel production. The slowdown in the progress made by modern metallurgical technologies, particularly the low share accounted for by the continuous casting of steel, exerted an unfavorable influence upon the further increasing of the utility characteristics of metallurgical material and, thus, also adversely influenced the desirable lowering of the quantity of produced metals. We were not fully successful, either through domestic production or through imports, to assure the actual development of the engineering industry. In particular, there is a shortage of technical means to facilitate the transition to the automation of processes and the employment of modern technologies which would make it possible to increase capacity and lower the labor-intensive nature of engineering production.

Overall tasks in deliveries for investments and domestic trade were exceeded. During the course of the Seventh 5-Year Plan, the engineering industry increased its share in overall Czechoslovak exports, particularly with respect to the socialist countries. However, it was neither possible to attain the anticipated degree of efficiency nor the expected volume with respect to exports to nonsocialist countries. The objective influence exerted by changes in the structure of demand and the limiting measures taken by the governments of capitalist countries are amplified by persisting problems pertaining to the lack of adaptability of Czechoslovak production to buyer requirements from the standpoint of ready delivery, technical level, and assortment. Considerable reserves exist in commercial work and with respect to the essential connection between production and foreign trade.

Targets in decisive economic indicators (adjusted producer costs, profit) were also exceeded. They reflected the fulfillment and the exceeding of stipulated savings in fuels, energy, and materials. Labor productivity also developed in a more favorable vein than had been anticipated by the Seventh 5-Year Plan.

The successful fulfillment of the entire Seventh 5-Year Plan was significantly contributed primarily by the realization of the conclusions of the 10th Session of the Central Committee of the CPCZ with respect to the goals and development of the engineering industry, the electrotechnical industry, and metallurgical industry after the 16th Congress of the CPCZ. However, fulfillment of the stipulated measures indicate that the engineering-metallurgical complex continues to show evidence of some serious problems of a long-term character which exert an unfavorable influence upon meeting the requirements of the national economy, upon the technical level of products, and the efficiency of their production, as well as their export. It is primarily from this viewpoint that the demanding nature of the tasks faced by the metallurgical and engineering complex during the Eighth 5-Year Plan must be judged.

At the 16th Session of the Central Committee of the CPCZ, which was held toward the end of November of last year, the status of work on the Eighth 5-Year Plan for the economic and social development of Czechoslovakia and the plan for 1986 were discussed. The proposed conception is based on the long-term development of our society through the year 2000. Despite the fact that existing considerations are the subject of further research in many directions and searches for optimum solutions, it is clear during the current period that the attainment of the intentions of the Eighth 5-Year Plan will demand a more speedy and more effective mobilization of all reserves.

Orientation Toward Priorities

Over the next 5 years, national income is expected to increase by a minimum of 17 to 19 percent. Its growth must be safeguarded, essentially, on the basis of today's level of fuel, energy, and material resources. The lowering of the share of production consumption to produce the social product is three times greater during the Eighth 5-Year Plan in comparison with the Seventh 5-Year Plan and is expected to assure more than one-third of the increment in the national income. The demanding nature of tasks is reflected primarily in the industry which assures virtually 80 percent of the anticipated increment in the national income.

The engineering-metallurgical complex will continue to make a significant contribution toward attainment of these difficult intentions. Engineering production will rise by more than 30 percent by the year 1990 (from today's Kcs 234 billion to Kcs 306 billion). The fastest growth rate is to be attained by electrotechnical industry production--by more than 62 percent.

In metallurgy the intentions of the Eighth 5-Year Plan are oriented toward maintaining deliveries of metallurgical products for use in the national economy at the 1985 level, while raising their utility parameters. Completely new materials and products will begin to be delivered which are essential to the expansion of progressive engineering and electrotechnological areas and the share of refined steels will be raised.

The development of the engineering-metallurgical complex will be aimed at national economic priorities, specifically the following:

a) increasing exports and their efficiency, particularly to nonsocialist countries. The engineering industry and the electrotechnical industry must support a roughly 30-percent higher formation of foreign exchange resources. This is a very demanding task because the tasks of the Seventh 5-Year Plan were not fulfilled with respect to engineering exports to nonsocialist countries. Extraordinary attention must be devoted to a higher valuation of exports to both territories;

b) further improvement in quality with respect to deliveries made to the domestic market. This will primarily be a question of expanding the assortment and delivery of types of goods in short supply. Special significance attaches to deliveries of high technical and quality levels which are being sought. The engineering industry and the electrotechnical industry must, during the next few years, increase deliveries to the domestic market by virtually 40 percent;

c) the creation of essential technical prerequisites for the further expansion and modernization (reconstruction) of both the production sectors of the complex, as well as of sectors of the other branches of the national economy. Deliveries of capital goods from the engineering industry are to increase by 25 percent in 1990, compared to 1985;

d) the creation of essential prerequisites for the utilization of manufacturing products by domestic and foreign users, primarily through the delivery of required spare parts and after-sale services.

The fulfillment of these tasks must be assured and accompanied by substantial declines in the energy-intensive and materials-intensive nature of the products manufactured. With respect to engineering sectors, the average annual savings in ferrous metals should be about 5 percent, whereas savings in the entire national economy should be 3.5 percent; this should be accompanied by a tightening of the decisive economic plan indicators.

The principal method for attaining the intentions of the Eighth 5-Year Plan must, therefore, become the deepening of intensification in the engineering-metallurgical complex, which was initiated as early as the Seventh 5-Year Plan. This is connected with gradual changes in the structure of production.

The decisive structural changes will be given direction and will be controlled by the state goal-oriented programs. In conjunction with the requirements of the national economy, they will be aimed primarily at nuclear energy, the rationalization of the consumption of fuels, energy, and metals, at selective progressive production processes supporting the expansion of robotics and the automation of technological processes, at the expansion of qualified chemistry, at selected subassembly sectors, and at the problem of electronification. Production in industrial sectors to support these programs is expected to virtually double during the course of the Eighth 5-Year Plan.

In Support of the Innovation of the Assortment

Changes in production will lead to priority development of those production sectors which will make it possible to raise the technical level of products and their efficient sales in foreign markets. Naturally, structural changes in the engineering industry will require changes in the structure of subsupplier branches where, thanks to a higher share of mental work, better efficiency is being achieved than in other industrial sectors.

During the course of the next 5 years, production in the heavy engineering industry is to rise by more than 21 percent. The main tasks are concentrated upon assuring deliveries for capital activities at home and abroad. This will involve primarily deliveries in support of nuclear energy, the reconstruction of conventional power-producing equipment, equipment for the production of heat (the boiler economy), both for industry as well as for the population, the innovation of transport facilities, primarily locomotives, streetcars, trolleybuses, and freight cars. Increased importance also attaches to deliveries for the food processing industry, for the low-volume chemical industry, and for ecological programs. The dynamics of development of production in the heavy engineering industry are also specifically influenced by our participation in joint projects in the USSR (for example, at Krivoy Rog and Yamburg).

With respect to the general engineering industry, it is decisive that, during the Eighth 5-Year Plan, it satisfy the higher demands of modernization of the production-technological base of the national economy and substantially raise the quality of deliveries for the domestic as well as for the foreign market. Important sectors of this industry are on a relatively good technical level. This is also documented by the results of our participation at last year's international engineering expositions at Brno, Hanover, Leipzig, and Plovdiv. A number of our products are comparable to leading products in the world and some continue to hold their leadership levels. In many areas we have captured the current tendencies in world development (for example, with respect to metal-cutting and metal-forming machine tools, textile machines, and leatherworking machines) and we have the prerequisites for further developing these products. On the other hand, there are sectors in which we are not achieving the required results.

It turns out that in order to safeguard the further development of engineering sectors it will be necessary to solve the expansion of the assortment and increases in quality of subassembly elements and the desired application of electronics or microelectronics above all else. Currently, there is virtually no sector in which electronics do not fulfill the function of specific innovation leading to a substantial increase in the technical-economic level and the utility characteristics of its products, where electronics would not lead to more rational and more efficient production processes. Therefore, the growth of production envisaged for general engineering during the Eighth 5-Year Plan of roughly 25 percent will not mean a mere increase in existing trends of development within individual production sectors, but will represent an express change in the structure of their production.

Structural changes within sectors and between sectors will be based, primarily, on progressive and fundamental innovations affecting the total production assortment. This is based on the more express application of the results of technical development, particularly relative to the application of electronics in regulating and control functions pertaining to engineering products, the use of new materials, the introduction of modern technologies, etc.

From these viewpoints, it will be necessary to specifically aim for development, adaptation, and production of new generations of machines and installations which will make possible the express growth of productivity while taking world trends into account with respect to electronification and automation of production processes. This is primarily a question of developing the production of flexible production systems, including the means of active control, interoperational manipulation, control systems, and the utilization of industrial robots and manipulators. A no less important task will be the assurance of modernization pertaining to current key sectors, for example, tractors, automobiles, metal-cutting and metal-forming machine tools, textile machines, printing machines, and leather-working machines.

Above-average development rates will be experienced by industrial robots and manipulators, turboblowers for combustion engines, high-capacity changers and converters, welding machines, container-filling and packaging equipment, excavators, transmissions, printing machines, agricultural machinery and installations, textile machines, hydraulic elements and aggregates. Justified demands are also being placed on the quality and assurance of the desired quantity of deliveries of engineering consumer goods, particularly those that have been modernized and of completely new products.

Support for the Program of Electronification

In the electrotechnical industry the main intentions for development are primarily connected with assuring the program of electronification throughout the national economy, while further strengthening its subassembly character, primarily in relationship to the engineering industry. The intentions are specified particularly in the state goal-oriented program A-07--Development of the Material-Technical Base for Electronification, as well as in goal-oriented program A-08--Development of the Application of Electronics in Selected Sectors of the National Economy. The goal is to speed up development of the electrotechnical industry during the Eighth 5-Year Plan and to thus create the material-technical conditions for the broader application of electrotechnics and electronics in production and utilization.

The anticipated development of national economic needs demands that certain changes be made in the structure of the volume of production of individual sectors in the electrotechnical industry. The greatest growth in production during the Eighth 5-Year Plan will be in the areas producing components (an increase of about 136 percent) and measuring equipment (an increase of about 110 percent). A lower rate of development will be experienced by areas of heavy current electrotechnics (an increase of about 36 percent). A high rate of development of production, primarily for use in the electrotechnical industry itself, will be experienced by single-purpose machines and installations. The attainment of the anticipated rates of production growth are connected with the gradual formation of conditions for the modernization and expansion of technological capacities and increases in the volume of material inputs.

Substantive goals of the electrotechnical industry are characterized by significant innovative changes. In the component-manufacturing base technology for the production of complex integrated circuits will be adopted. New technology involved in the surface mounting of components to area contacts, whose contribution will primarily be a higher degree of reliability and a reduction of product dimensions, will be introduced.

In automation and computer equipment, production of systems for automating production control and technological processes will be expanded. This will involve modernized and increased production of minicomputers, microcomputers, development of the production of sensors, readers, servodrives, and other automation elements.

With respect to measuring equipment, demanding systems such as electron microscopes, X-ray analyzers, spectrometers, etc., will be further developed. With respect to capital electronics, the principal effort will be aimed at the further modernization of television and broadcast transmitters operating by remote control, equipment for assuring satellite transmissions; in telecommunications equipment, the transition toward completely electronic telephone centrals will continue.

With respect to consumer electronics, emphasis will primarily be placed on the modernization of existing instruments to record and reproduce sound and on the development of production and an adequate assortment of television receivers while increasing the degree of digitalization, the level of design, and the level of some special services such as stereophonic sound and receipt of supplemental information involved in color television receivers and improvements in the convenience of operation. In addition, principal attention will be focused on the development of the production of audiovisual equipment, particularly of videocassette recorders and digital compact disk players.

A Lower Share for Metallurgy

The concept for metallurgical production is based on the basic directive calling for reduction of the energy-intensive and materials-intensive nature of national income formation. In 1990 the share of metallurgy in the overall volume of industrial production will decline by more than 10 percent compared to 1985. Even though industrial production will increase, and paricularly engineering production, domestic consumption of metals will not be increased and exports will be accomplished as a result of economically efficient international division of labor. While the overall production of steel will decline, it is anticipated that production in oxygen converters will rise to such an extent that, together with tandem processes, it will approximate 75 percent of production. In this connection, one of the most complicated tasks will be the processing of all occurring metal scrap in steel mills. It is essential to speed up the solution of assigned tasks of scientific-technical development which bear on increasing the throughput of scrap in tandem furnaces and oxygen converters with the assistance of supplemental fuels.

With respect to the production of rolled materials, we are concerned primarily with assuring the necessary assortment at appropriate quality and processing levels, particularly with increasing the growth in refined steels by more than 20 percent. Efforts will also be made to accomplish the rational utilization of new, modern roll trains and the gradual sidelining of obsolete capacities in rolling mills, as well as other metallurgical aggregates. Tube mill capacities will be augmented by the second phase of development at the Tube Mill and Metallurgical Plant at Chomutov to produce thick-walled tubes destined primarily for the engineering industry.

Development of the metallurgy of nonferrous metals is closely connected with the development of programs affecting the engineering and electrotechnical industry. In the metallurgy of nonferrous metals it is expected that domestic raw material resources, including secondary raw materials, will be utilized, it is expected that higher-quality production will be expanded, such as that represented by powder metallurgy, and it is expected that special materials for the electrotechnical and electronics industry will be produced.

The satisfaction of the requirements of industry, not only with respect to quantity, but, primarily, with respect to quality of materials (including new assortments of special materials), requires the speeding up of modernization and the intensification of metallurgical production. This will simultaneously facilitate the lowering of the consumption of metals and energy which is intolerably high today.

Cooperation Will Expand

An essential condition for the engineering-metallurgical complex to play a significant role in making the transition of our economy onto the path of its further intensive development is its broader commitment with respect to the international division of labor involving the CEMA countries, primarily the Soviet Union. A fundamental role in developing economic and scientific-technical cooperation is played by the newly created CEMA Committee for Cooperation in Engineering. Last year this body discussed, among others, the working out of long-term programs for development of specialization and cooperation in the engineering industry through the year 2000. Within the framework of the engineering committee, Czechoslovakia participates in a whole range of work with special-purpose intentions aimed at the automobile industry, power engineering, and health equipment, the sectoral organizations of which are presided over by the following ministers of the Czechoslovak Government: Comrades Pavol Bahyl, Eduard Saul, and Milan Kubat.

At the end of last year, at the level of premiers of governments of the CEMA countries, it was decided to establish the international association entitled INTERROBOT; Czechoslovakia participates in this program both in a directoral capacity as well as with its production capacities. Full use is made of the Research Institute of the Metals Industry in Presov, which fulfills the function of the leading work site involved in the program of robotization in our national economy.

In conjunction with work involved in the joint scientific-technical program of the CEMA countries through the year 2000, the engineering industry and the electrotechnical industry will determine the dynamics which will exist in mutual relations. Even today their share in the international division of labor exceeds 60 percent.

For the period of the Eighth 5-Year Plan, important tasks have been set for the metallurgical-engineering complex which involve increases in the share of high technical-economic-level products. In comparison with the Seventh 5-Year Plan, the increases for the heavy and general engineering industry are to be virtually 5 percent, those for the electrotechnical industry 8.5 percent. Fulfillment of these tasks will demand an accelerated realization of outputs involved in the tasks of the plan of technical development, in completed tasks or tasks which were started during the Seventh 5-Year Plan, as well as an express modernization of production sectors, primarily in the enterprise sphere.

In the system of managing technical development and evaluating the technical-economic level of production, it is necessary to remove selected administrative elements which do not exert sufficient pressure or incenetives to strengthen healthy entrepreneurial functions among producers designed to fulfill the decisive requirements and needs of users. We are dealing with the standing of the enterprise and the economic production unit in the area of technical development, their full responsibility and duty to solve their own prosperity problems, and the competitiveness of their products on the world market through technical development.

Fundamental Modernization Is Essential

The speedup in the development of the engineering-metallurgical complex to enable it to satisfy the requirements of the national economy is not possible without a fundamental solution of the problem of modernizing and reconstructing its production base and the continuous application of modern technology. The pressing need for modernization and reconstruction of the production-technical base is based not only on its growing obsolescence, but primarily on the fact that without modern technologies which are generally introduced throughout the world we would lag behind in the economy of production and would, consequently, be losing out in the international arena. For the present, the labor-intensive nature of basic production is not declining adequately. Metalforming, the production of precision castings, welding processes, and the appropriately connected progressive technologies are being applied in an unsatisfactory manner. The share of modern semiautomated and automated machines continues to be low and, in the past 5-year plan, did not undergo any significant changes. It is, therefore, essential that modern technologies, digitally controlled and computer-controlled equipment be introduced on a far greater scale and that production processes be gradually automated through the utilization of electronification and robotization.

In conjunction with the intentions of capital policies for the Eighth 5-Year Plan, emphasis is being placed on the priority assurance of reconstruction and modernization pertaining to the production base of the engineering-metallurgical complex and the express increase in the share of machines and installations in the overall volume of capital investments.

Even though the plan creates certain prerequisites for the modernization of the production-technical base in the engineering and electrotechnical industries, it will be necessary, in support of their substantial acceleration, to utilize all existing reserves and economic results achieved by enterprises and organizations. This will not be a question of one-time actions, but, rather, a permanent process which will have to involve the system of management through suitable economic levers. Without weakening capital formation and the utilization of national income, it is not possible to acquiesce to the calls, and the frequently justified arguments, of industrial enterprises for additional investments. But why not provide the opportunity for a certain portion of the capital, which is created over and above the economic plan (and thus also arouse interest in exceeding planned targets), to be used for modernizing the production base, along with all its advantages?

A serious problem remains the assurance of technical needs for modernization and reconstruction, as well as new construction. We wish to obtain these means particularly through the following ways:

a) through deliveries of machines and installations from specialized domestic production, which will be at the required technical-economic levels (they will be provided by so-called major engineering industry establishments);

b) through the production of single-purpose machines and installations at the sites of users of the technology, backstopped by modules, components, and parts produced by the engineering and electrotechnical industry;

c) through the medium of the engineering committee (in its jurisdiction, it cares for production technology of the socialist community of states) from CEMA member countries.

Sometimes, a quick solution offers itself through imports from capitalist countries, particularly from the holders of mature technology. Even this solution can be suitably supported with effective economic instruments (the good example of the approach by the State Bank of Czechoslovakia with respect to utilizing credits which return foreign exchange is known from the period of the Seventh 5-Year Plan) and through motivation to obtain funds by exceeding export targets to nonsocialist countries with a higher share of their utilization being assigned to domestic modernization.

The engineering-metallurgical complex faces a significant period which is closely connected with deepening intensification throughout the entire national economy. The demanding nature of the tasks which it faces as a result of the conception of the Eighth 5-Year Plan primarily consists of the fact that they are to be fulfilled concurrently with the progressive solutions of further development affecting the engineering-metallurgical complex. This also results in high demands placed upon every worker and a completely new approach to the fulfillment of planned intentions.

5911
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SEWER SYSTEM DETERIORATION HALTED THROUGH RELINING PROCEDURE

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[Article by Hans-Dieter Teuber, engineer, Chamber of Technology [KDT], Leipzig, Bernhard Fischer, engineer, Leipzig KDT, Eberhard Fritsche, engineer, Wolfen KDT, Eberhard Steckel, engineer, Wolfen KDT, from the Institute for Construction Engineering and Underground Construction of the Construction Academy of the GDR]

[Text] On an international scale it can be observed that damage to sewer networks is becoming more extensive. This situation is derived in part from the approaching end of the standard useful life of such networks and in part, however, from static, dynamic, thermal, and chemical effects for which the network was not originally designed. The results are leaking connections, cracks in the pipe, corrosion damage and the related undesirable infiltrations or environmentally polluting leakages, the last-cited particularly among waste water pipelines of chemical plants. Efficiency and functional fitness are reduced to an extent which requires either a replacement or a restoration. Since the replacement causes high costs and in the case of in-house pipelines additionally sensitive interruptions to the course of the production, interest is growing in restoring the functional fitness of damaged waste water systems with the aid of economical repair processes once again that require only a minimum of digging up, have an effect with little interference to attached or neighboring production plants, and guarantee a long service life of the repaired network area.

Choice of the Repair Procedure

On the basis of a corresponding assignment a development was carried out in the Institute for Construction Engineering and Underground Construction of the DR Construction Academy in cooperation with the source of the assignment and a potential firm for carrying this out, whose objective was the effective repair of waste water systems in chemical industry. The following aspects were to be considered:

- Because of the relatively frequent change in the variety of products and the changes in production technology and raw materials connected thereto in the chemical plant a variety of waste products and effluents arise unavoidably.

Since these changes are not predictable for such a long time as waste water systems must be used, the use of a high quality repair material with a longer service life is required.

- The repairs are to be undertaken on unpressurized pipelines with a cross section--lower limits of diameter of 150mm--that show leakages in the areas of connections and cracks in the pipe walls, which in fact do not lead to the collapse of the pipeline but which have reduced its carrying capacity. The material to be used for the repairs must as a result contribute to the restoration of the carrying capacity.

- This must involve not only the pipeline bundles but also, as far as necessary, the tunnels in the complex repairs. In this case the carrier construction of the often square or right angle tunnels must continue to be functionally fit.

An almost complete overview of the possible procedures is presented by Teuber in (1) and Maidl, Stein, and Bielecki in (2); a limited number of procedures is reported in (3).

On the basis of the cited premises in the case of the task-related weighing of the processes and materials the decision fell in favor of the relining procedure. In this case a PE-HD pipe cluster ND 3.2 is drawn into the unpressurized pipeline to be repaired, whose cross section is freed of incrustations and deposits by a previous pipe cleaning down to the almost original rated diamater. A significant role is played here with the use of the further developed procedure, and with the inclusion of special tunnel lining of PE-HD /polyethylene-high pressure/lining material it became possible not only as before to repair individual carriers but whole areas of network up to the required minimum rated diameter of 150mm (4, 5, 6).

Application Criteria:

- The relining procedure with PE-HD pipes should be used only then when the aggressiveness of the medium flowing through justifies the use of this high quality intermediate.

- Corresponding to the conditions relating to production and the complex reconstruction plan is to be worked out for the network area of the time a repairs plan with the following objectives:

  . division into repair fields,
  . future use of the pipeline (hydraulic, chemical, and other demands),
  . condition of the pipeline (on the basis of sewer main distant viewing) and of the tunnels,
  . planning the underground construction space which comes into consideration for the selection of the starting and end ditches or end tunnels, respectively,

  - decision on the direction of the repairs (if possible, from the large rated diameter to the smaller),
  - determination of the retractable lengths (20.00m to 50.00m, in special cases larger).

- The firms for this operation must be authorized for such work.

- In the case of welding operations on the thermoplastic materials the official guidelines must be followed.

- The reduction of the open diameter caused by the insertion of the sleeve in the pipe to be repaired must be so little that the pulling through of the drawing attachment of the PE-HD pipe is permitted.

- Feeder lines, that connect with the main to be repaired outside of the tunnels, are to be dug up. The connecting pipe is either:

  - to be shut down or
  - to be shifted to an existing ditch, in which case the old connection site is to be sealed or
  - to be connected on the spot to a newly constructed tunnel.

Effects

With the repair procedure "relining" for sewer mains and the complex technology developed for it--specially for applications in industrial areas with above average effluent loading--it is possible to save on labor for excavation and filling in and to lessen the sensitive interruptions generally connected with repair operations significantly as well as impairing the above ground traffic. Besides the following is achieved:

- man-hours reduction by about 60 percent,

- economy in investment costs in comparison with the replacement by new ceramic pipes with reaction resistant sealing of the pipe joints depending upon pipe diameter and depth,

- reduced heavy manual labor (about 6 kg of PE-HD pipe per meter in place of 70 kg ceramic pipe per meter),

- increase in the operating safety of the pipeline through the elimination of the sleeve connections with their sealing materials sensitive to damage.

A pipeline repaired by means of the relining procedure has practically the same intrinsic value as the original undamaged pipeline. The repaired main in fact shows in comparison with the original a smaller inner diameter; it is nevertheless smoother, less likely to have deposits and thus maintenance friendlier, and it is above all operationally safer.

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12446/12858
CSO: 2300/151

BRIEFS

POLISH-NICARAGUAN TRADE, SCI-TECH TALKS--On the fourth of this month Vice Premier Manfred Gorywoda, chairman of the Planning Commission, met with the revolutionary commander and Minister of Cooperation with Foreign Countries Henry Ruiza Hernandez of the Republic of Nicaragua. Minister Hernandez is head of the Nicaraguan delegation at the first session of the Polish-Nicaraguan Mixed Commission for Economic Cooperation. The results of bilateral economic relations between Poland and Nicaragua were summed up during the meeting and issues concerning the further development of economic and sci-tech cooperation between the two countries were also discussed. [Text] [Warsaw TRYBUNA LUDU in Polish 5 Feb 86 p 2] /8918

POSSIBLE TRADE WITH JAPAN--Andrzej Wojcik, minister of foreign trade, and Japanese Ambassador Susumu Matsubara met on the 24th of this month to discuss the question of Polish-Japanese economic cooperation. Interest was expressed in increased trade between the two countries, including cooperation in third markets. The potential for participation of Japanese firms in the modernization of certain areas of Polish industry was also discussed. [Text] [Warsaw TRYBUNA LUDU in Polish 25-26 Jan 86 p 8] /8918

ECONOMIC JOURNAL IMPORTANCE STRESSED--On the third of this month Vice Premier M. Gorywoda, chairman of the Planning Commission in the Council of Ministers, met with Z. Gajczyk, director of State Economic Publications, and M. Ostrowski, editor-in-chief of GOSPODARKA PLANOWA. This monthly, which is devoted to the problems of planning and economic development, is commemorating its fortieth anniversary this month. The importance of the development of economic knowledge and planning concepts for the formation of a growth-oriented view of the Polish economy and the continuation of the process of reform of its mechanisms was also taken into account. They also discussed the main directions and forms of the publication's activities. Vice Premier Gorywoda indicated the role that GOSPODARKA PLANOWA could perform in a search for new solutions and in the formation of economic policy and methods for the planning and functioning of our economy. He stressed that special attention should be given to the wealth of ideas and practical experience of socialist countries in which significant economic restructuring processes are taking place, including those that came as a result of accelerated technical progress and increased participation in the international division of labor..[Text] [Warsaw TRYBUNA LUDU in Polish 4 Feb 86 p 2]

CSO: 2600/266

IMPROVED STEEL-PRODUCTION TECHNOLOGIES INCREASE EXPORTS

Bucharest REVISTA ECONOMICA in Romanian No 49, 6 Dec 85 pp 12-14

[Excerpt from article by Dr S. Arsene, Stefan Gheorghiu Academy: "Meeting World Standards of Production and Export"]

[Text] A few decades ago steel production was one of the main indicators of a country's level of economic development because of that basic product's essential contribution to the development of all the other economic sectors and especially machine building, transportation, industrial construction and civil engineering, electrical engineering, etc. Due to the new scientific-technical advances, which have also made radical changes in the basic materials, steel production is no longer in the same direct correlation with a country's developmental level, but within certain limits it is indicative of a country's position in the world economy, particularly as regards quality and the refinement and better use of the respective resources. Whereas physical production of steel reaches a ceiling when the economy is saturated, a ceiling of 500-800 kg per capita in countries like the USSR, the United States, Japan, the FRG, France, England, Canada etc., the volume of production in terms of value tends to increase with better, intensive use, output of varieties with high technical-functional qualities (The United States, the FRG and Sweden are typical examples), large-scale recycling of scrap iron, etc. (The proportions of scrap iron in steel production vary among 60-70 percent in the United States, about 70 percent in the GDR, 60 percent in Sweden, 55 percent in Poland, etc.).

From the standpoint of this indicator, Romania's per capita steel output of 636 kg in 1984 places it on a level in keeping with the Romanian people's great efforts to develop and consolidate the national technical-material base. This point is made better by another indicator called the "metal supply" or "metal accumulation" in the technical literature, representing the entirety of the steel existing at a given point in installations, machinery, equipment, constructions, transport means, consumer goods etc. in use. This indicator is 7,000-9,000 kg per capita for the developed countries and below 300 kg per capita for the underdeveloped ones, while the world average is about 2,000 kg per capita.

The Romanian people's efforts to equip their national economy with peak technologies, highly productive machinery and installations, and a modern infrastructure as well accelerated the national metal accumulation, which is now about

3,500-4,000 kg per capita. But we are considerably behind the developed countries, which is one more argument in favor of adopting new technologies with better parameters from the standpoint of the performance-weight ratio. The restructuring of the iron and steel industry in the great producer countries by readjustment to the new consumer trends, to the new structure of production costs, and to the demands of the scientific-technical revolution for introduction and expansion of modern industrial processes has had and will have a powerful impact not only upon the evolution and structure of production and consumption but also upon the flows of trade in those products.

Use of the Metal Supply As a Macroeconomic Indicator

The Romanian party and state policy in the field under consideration was reflected in the steady growth of the volume of steel production, which showed average annual growth rates of 6 percent in 1970-1984. The growth rate of consumption of raw steel in Romania was somewhat more moderate, averaging 5 percent a year. As a result in recent years Romania has been in fourth and fifth place in the world in the evolution of production and consumption respectively, and it is accordingly in 12th place in the world in absolute production (after the USSR, Japan, the United States, the CPR, the FRG, Italy, France, Poland, Great Britain and Mexico).

While the two above-mentioned indicators showed the quantitative aspect of the inventory, the value of the gross national product per ton of metal supply is computed in order to evaluate the qualitative aspects of better, intensive use of the national metal accumulation. That indicator is still low in Romania. The indicator of created gross national product per annual output of steel is in a better state. For 1984 Romania logged a little over $3,800 of gross national product per ton of steel produced, compared with $18,000 per ton in the United States, $39,000 per ton in Switzerland, about $20,000 per ton in France, and about $9,000 per ton in Japan.

The gaps between Romania and the economically developed countries in use of the metal supply are wider than those in degree of equipment of the economy with metal (about 4-5 to 1).

Use of Modern Technologies Through Competitive Production Structures

In order to determine the courses of action to make more intensive use of the metal supply and to enhance the contribution of steel production to economic growth, numerous analyses and studies were made in the Galati Iron and Steel Combine, the national economy's chief metal supplier, which makes about 50 percent of the steel output and over 95 percent of the domestically manufactured steel sheets and strips, and it is also the only unit exporting rolled steel plates.

Very heavy investments have been made in this great iron and steel combine, and its technical equipment is being continued in the current five-year plan by activating a blast furnace with 3,500 cubic meters of useful volume, a new steel mill complex with converters and installations for continuous steel casting, two sets of coke ovens for 850,000 tons each per year, a sheet steel rolling mill with high technical-operating parameters, a rolling mill for semimanufactured products and other industrial capacities that will enhance both the physical volume and the technical-qualitative performances of the output. Organized for rolled products and equipped with a series of hot- and cold-rolling mills, the Galati Iron and Steel Combine makes over 350 varieties of steel, steel sheets up to 4,500 mm wide and 4-100 mm thick, and cold-rolled strips 0.4-3.5 mm thick and 1,000-1,500 mm wide, all for the shipbuilding, automotive, electronics, nuclear and aeronautics industries, marine drilling, and the chemical and energy industries.

Compared with 1950, when the Siemens-Martin and Thomas processes predominated in world production (78.7 and 10.7 percent respectively), now the process of manufacture in a converter with blasts of oxygen (the L/D process) accounts for more than 50 percent of production, the electric process over 20 percent, and the Thomas process is on the way out. Note that the Common Market countries and Japan produce over 70-75 percent of their steel in converters with oxygen, the most modern and efficient manufacturing process.

Alongside the efforts to increase the physical volume of production, the combine has taken steps to change the production structure radically in favor of higher-grade steels. Now 52 percent of the steel output is produced in oxygen converters, 18 percent in electric furnaces, and at least 30 percent in Martin furnaces. For purposes of comparison we mention that in 1965 about 90 percent of the nation's steel output was produced by the traditional process, in Martin furnaces, and only 10 percent in electric furnaces. Meanwhile the quality carbon and low-alloy steels were increased from 14 percent of the total steel output in 1950 and 31 percent of it in 1965 to about 47 percent at present, while the proportion of alloyed steels was almost doubled between 1965 and 1985 (from 5.6 to about 10 percent). Promotion of the new technologies created optimal conditions for making a diversified assortment of steel sheets of rustproof steels essential to the electrical engineering industry.

In view of the Galati CS's /Iron and Steel Combine/ leading position in Romanian industry, it has important assignments in the next period too in implementing the provisions of the Program To Raise the Technical and Qualitative Standards of Products, To Lower the Inputs of Raw Materials, Fuels and Energy, and To Make Better Use of Raw Materials and Materials in the 1983-1985 Period and up to 1990." As it says in that document, a special effort will be made in the next period to regularize the mechanical and technological properties of metallurgical processing products, to obtain optimal metallographic structures, and to enhance the finishing and dimensional precision. Controlled cooling of rolled products will be expanded, as well as the reheating and globulizing process and steel processing by broaching and hot drawing.

In development of production in this field in the next five-year plan the highly technical products are to be in a steadily growing proportion, such as new types of steel sheets of weldable, high-resistance, heat-treated structural steels; special bars and plates for the chemical, nuclear and aeronautics industries; electrotechnical strips with very high magnetic permeability; whole finished rolled products manufactured in a continuous flow; electrolytically tin-plated sheets, etc. It is also planned to expand the use of unconventional technologies for heat treatments and the facilities needed to increase the proportion of heat-treated iron and steel products by 1990.

Romania's trade balance in the item "iron and steel rolled products" indicates a considerable gain in the physical volume of exports from 318,600 tons in 1960 to 1,278,100 tons in 1970 and about 1.9 million tons in 1983 (with a growth index of 593.68 percent from 1960 to 1983 and one of 147.99 percent from 1970 to 1983), amounting to about one-fifth of the present national output of steel rolled products. Imports of this group of products steadily increased from 830,100 tons in 1960 to 1,360,600 tons in 1970 and 1,570,400 tons in 1975, while later they showed a steadily declining trend so that their physical volume in 1983 (733,300 tons) was below the 1960 figure for the first time. Corresponding to this evolution of the physical volume, the balance of trade in iron and steel rolled goods steadily increased its surplus in the last 10 years until that surplus exceeded the volume of imports by more than 50 percent in 1983.

Improvement of the Exchange Ratio

Whereas from the standpoint of the physical balance the respective evolution reflects a correct policy of gradually reducing the nation's dependence upon imports of these basic products, the analysis must be supplemented with a number of points, chiefly in connection with the effectiveness of Romanian exports of iron and steel products and especially of steel rolled products. The unit value of Romania's imports of those products far exceeds that of its exports because of the high-grade products and the special steels imported from the foreign markets. And since the development of Romania's iron and steel industry is based on imported raw materials, namely iron ore, metallurgical coal and coking coal, the sector's exports must also cover those imports, which were increased, in the case of iron ore, from 917,100 tons in 1960 to 6,267,800 tons in 1970, 15,984,000 tons in 1980 and 14,477,000 tons in 1983, and in the case of metallurgical coke from 655,800 tons in 1960 to 2,416,500 tons in 1970, 3,133,000 tons in 1980 and 1,715,000 tons in 1983, while the imports of washed coal for coke came to 4,293,000 tons in 1983.

Even this brief account shows the great importance of restructuring Romania's iron and steel industry to meet the requirements of the technical-scientific revolution, the consumer demands and the structural changes in the production costs, so that while reducing the volume of imports of higher-grade iron and steel rolled products we can supply both the domestic and foreign markets with greater quantities of these products on highly competitive terms. This requirement is especially urgent because Romania's exports of steel rolled products have not yet shown an effectiveness commensurate with the national efforts made to produce them, and as we know one of the main objectives of the five-year plan is to make exports more effective by eliminating the products that bring in little foreign exchange and making better use of the raw materials, energy and social labor, especially in machine building, metallurgy, the chemical industry, wood processing and light industry, sectors that will account for more than 65 percent of Romania's total exports.

While the varietal structure of Romanian exports of steel rolled products and semifinished products shows some favorable developments suiting the trends and demands of the world market, some shortcomings still persist that impair the overall effectiveness of the exports of iron and steel products. Amomg the favorable points we note the growing proportion of shaped products (about 17-18 percent in 1984), the relatively high proportion of casing pipes and down pipes, and the increased export of more highly processed products like metal netting, steel chains, etc. But maintenance of a high proportion of thick and medium sheet steel, with a lower proportion of thin sheet steel, and the still too limited presence among the exports of varieties commanding higher prices have a far greater effect upon the effectiveness of the exports.

In the 1981-1984 period the proportion of steel rolled goods in the exports of the METALEXPORTIMPORT ICE /Foreign Trade Enterprise/ evolved differently in the cases of the Galati CS's three different export items: (1) thick and medium hot-rolled steel sheets and strips 3 and more mm thick (including the strip steel), (2) Thin sheet steel, wide strips and hot- and cold-rolled steel up to 3 mm thick, and (3) galvanized sheet steel and strips.

The proportion of the first item, medium and thick sheet steel, in METALEXPORT-IMPORT's exports increased from 36 percent in 1981 to 41 percent in 1984 thanks to the increased manufacturing capacities and an emphasis on exporting more and more of the output, putting Romania in sixth place in sheet steel production and in fourth place in exporting it after the USSR, Japan and the FRG. But in the last period there were considerable reductions in the exports of thin and galvanized sheet steel of nearly 1 percent each in view of the increased needs of the national economy for those products and the heavy outlays on imports of raw materials needed to manufacture them, and especially on imported zinc.

Calculations of the effectiveness of the exports indicate that for a number of products like medium and thick sheet steel and hot-rolled strips some prices on the foreign market are causing difficulties for many traditional western iron and steel firms.

Accordingly it appears to be a viable solution to restrict the exports to the nation's needs and to use the respective products for processing in other sectors and other productive units so that they will attain higher indicators of export profitability.

The increasingly high production costs of the items thin sheet steel and galvanized sheet steel, due to imports of the raw material along with frozen or declining foreign prices, can lead to a low profitability. These products can be incorporated together with other raw materials, materials and semimanufactured products in more highly processed commodities that sell on the foreign market much better and lead to additional foreign-exchange collections.

The following are a few of the measures for technical and qualitative improvement of the products and structural improvement of production:

- Manufacture of sheet steel for export in the standard varieties in demand on the foreign market and for which the Galati CS has the technical manufacturing equipment, especially for sheet steel less than 10 mm and over 40 mm thick, 1,000-4,500 mm wide, and in all lengths between 4 and 12 meters. One of the Galati CS's outstanding achievements in better use of raw material is the capacity called the "section for welded pipes 1,420 mm in diameter for generators" with an annual capacity of 200,000 tons. It will produce welded pipes of large diameters for natural gas mains. The new manufacturing capacity's entire output is for export.

- Another improvement in the effectiveness of Romanian exports of steel rolled products is the production of commercial sheet steel with a guarantee of the technical parameters and according to the standard norms (BS 4360-50, BC and D1) and especially with observance of the specifications for smoothness, tolerances, surface appearance, etc.

- The increased proportion in the export programs of thermally cut sheet steel (normalized) or of types H1, H2, H3 and 16 Mn5 for boilers and grades B and D nautical sheet steel; qualities R-St 38-3, R-St 42-2 and R-St 42-3 and a of low-alloy sheet steel for pipes welded according to API [International Petroleum Association] standards, and quality grades A and B x 42x52x56x60x70. Offering sheet steel in the foregoing qualities according to the American, British and West German standards will lead to a considerable increase in the foreign price collected per ton of exported products.

- A higher proportion of the varieties of electrotechnical sheet steels and a wider assortment of standard sizes;

- Increasing the volume of exports of galvanized steel sheets and strips and offering tin-plated steel sheets and strips for export.

The geographic distribution of exports can also have an unfavorable effect upon their effectiveness. In 1984 about 52 percent of Romania's exports of medium and thick sheet steel was concentrated in only three countries (Japan, the United States and the FRG), and the concentration of thin and galvanized sheet steel was much more intensive, the United States, France and the FRG receiving 82 percent of Romania's exports of thin sheet steel and a large portion of the exports of galvanized sheet steel. Therefore it is an urgent and permanent task to diversify the geographic distribution of Romania's exports of steel rolled products in order not only to reduce dependence upon particular markets for sales but also to enhance effectiveness by means of a diversified range and determination of the more suitable times and markets.

5186
CSO: 2700/79

GENERALS DISCUSS CAREERS, DUTIES, UNITS

Gen Zygmunt Zielinski

Warsaw RZECZPOSPOLITA in Polish 18 Jul 85 pp 3, 4

[Interview with Gen Div Zygmunt Zielinski, director of the Cadre Department in the Ministry of National Defense, by Andrzej Jurczynski: "High Standing of Cadre Operations"; date and place not specified]

[Text] One of the most important subjects discussed at the recent PZPR Central Committee 20th Plenum was the implementation of the "Main Assumptions of PZPR Cadre Policy," accepted at the 18th Plenum. This document also incorporated the experience of the Ministry of National Defense, which has solutions that have been proven in practical operations, and which has for several years been guided by established principles. They are the subject of our interview with Gen Div Zygmunt Zielinski, director of the Cadre Department in the Ministry of National Defense.

Andrzej Jurczynski: "These problems, which had been gradually prepared for solution, were finally solved in the Ministry of National Defense back in 1975, when the "Principles of Cadre Operations in the Armed Forces of the Polish People's Republic" were put into practice.

[Answer] The document mentioned describes cadre conduct and includes the following sections: Personality requirements and the course of service of various groups of regular (professional) soldiers; predicting and guiding the course of this service; establishing and utilizing an accelerated-development fund; selection for leadership positions; stages of training and advancement; system of cadre evaluation; honoring the cadre; and discharge from regular service. We applied specific elements of "Principles of Cadre Operations...", such as cadre inspections, much earlier, as they were being developed, since the overall concept of our cadre policy had already been established.

[Question] What does this policy consist of? Wnat is the substance of this cadre policy?

[Answer] The substance of the cadre policy applied in the army is made up of two groups of problems: The first includes actions relating to forecasts of professional cadre inflow and outflow and controlling this process in accordance with the needs of the service, taking into account the correct proportions between the corps and various specializeds groups. This area of our activities, just as all cadre undertakings, involves future action. Hence our forecasts cover a 15-year timeframe. Thanks to forecasting, we can accurately determine the size of recruitment to military schools and establish training in new specialties. Such thinking about tomorrow is particularly important in balancing national needs with those of the individual ministries. It also has farreaching social and economic effects. The second group of problems relate to the qualitative development of cadre and proper control of this process, including training and advancement, and providing a career path for the cadre, ensuring its efficient utilization in service.

[Question] The first condition in cadre operations is evaluation of an individual?

[Answer] Not just the first but the deciding. Cadre operations concern individuals, their opinions, values and predispositions. Individual interests must be reconciled with general interests. General of the Army Wojciech Jaruzelski, in his speech at the PZPR Central Committee 20th Plenum, said: "Cadre policy must be wide open to all those who are dedicated to the socialist fatherland, and it must be tightly sealed against those who do not have its supreme good in mind... When ideology, talent, knowledge and a creative stance are at stake, it is a duty to create conditions for those who want to improve reality, to decisively support them when they come up against inertia and torpor." That is why it is obvious that a penetrating and fair evaluation of people is essential.

In our ministry this is done through annual cadre reviews and periodic evaluations conducted every 5 years. The annual cadre review consists of a concise evaluation of every regular soldier's service values and the results of his work during the past year. This is a form of cadre operation which makes it possible to evaluate a person effectively, to outline his career path to him. Thus the evaluation has an important effect on his future. This review is conducted on all command levels. It ends with a conversation in which the superior informs the subordinate of the evaluation made on him. There is a large educational aspect in this, spurring the soldier on to even better performance of duties.

The cadre review also provides a certain psychological comfort to the professional soldier when he knows how his work has been evaluated and what his future may be.

[Question] Are these reviews a starting point for further actions, as, for example, the creation of cadre reserves?

[Answer] Certainly. In the army, these reserves are called an accelerated-development fund (ADF). During the cadre review, those who received the highest ratings are included in the fund, and those who received the lowest ratings are excluded. Here this dynamism of action, which we mentioned earlier,is clearly seen. The importance of ADF lies in selecting the most valuable people with the best future and creating for them optimal conditions for assuming successively higher staff and command and specialist positions. In developing the principles of the fund, we chose, as the starting point, a description of the postulated profile of a soldier, covering requirements as to his personality, ideological stance, qualifications, and a model of service performance. In addition to the general model, there is also a detailed model for every personnel corps and different specialties. As a result, we can make full use of all of an individual's mental and physical traits, his abilities and predispositions, and also ensure him the most appropriate career path.

[Question] What can a person who is listed in the ADF expect?

[Answer] First of all, he must devote a great deal of attention to improving his skills and undergo various forms of training. In the army, all professional soldiers are required by law to submit to training and improvement of qualifications. And this particularly pertains to ADF officers. This fund is our main source for assignment of officers to higher staff and command and political posts. A person on the ADF list can also anticipate faster promotion to a higher position, but this also means special training, and experience in lower positions, i.e., he must have tread the planned path for a given function.

At the same time, I want to say that in making assignments to responsible service positions, a special candidate-training program is in effect in the Armed Forces. It includes short courses and practice. Another way in which a candidate can prove himself for a leadership function is by fulfilling the duties on a probationary basis. If he passes this test within a specified time limit, he is confirmed for the new position, If not, he returns to a previous or parallel position.

[Question] In addition to the vertical promotions you describe here, are there any possibilities of horizontal advancement?

[Answer] Certainly, if skills are increased. I will cite only some. Regular (professional) noncommissioned officers and cadets may achieve military specialty grades--from third to master. For each of them the soldier receives an additional monetary allowance. Officers, however, may obtain educational degrees and compete in various forms of contests.

[Question] How can the implementation of cadre policy be assessed on the ministerial scale?

[Answer] The "Principles..." have become a disciplining factor in all of the cadre operations in the ministry. They improve operations and ensure honest interpersonal work. On one hand, they constitute a uniform interpretation in the conduct of cadre policy, and on the other hand they require all superiors to observe them strictly in everyday practice. There is a precise system of inspection and accountability in this area. At the last plenum, General Jaruzelski said on subject: "There is no implementation without inspection."

Another factor which guaranteed success in implementing the "Principles..." was the inclusion of the results of a wide-scale discussion at the time they were being developed. Many regular soldiers took part in this discussion. Thus, they are the result of the thinking of all professional soldiers. Thanks to this, we can also say that the entire regular army approved of these principles and became familiar with them. We are trying to eliminate all deviations from these principles, because it would take only one mistake on the part of each superior to make hundreds of them on the ministerial scale.

[Question] How would you sum up what has been said here? What general conclusions can be drawn?

[Answer] Good. Let us try to make such a summing-up. First, there can be no thought about effective cadre operations without general assumptions and a uniform system; all cadre operations must be subordinated to specific principles and must take place openly. Second, the supreme value which determines the effectiveness of cadre work is further humanization and a greater climate of full confidence by the people in cadre practice. Third, only consistent and constant application of the binding principles by the entire leadership cadre will assist in implementing the postulate--the right person in the right place.

[Question] What next? What are the cadre plans for the future?

[Answer] We will continue to perfect the mechanisms of cadre operation and consolidate public acceptance of cadre policy. We will concentrate our attention on evaluating soldiers more thoroughly, determining their predispositions and spotting their talents. We will strive to expand the reserve cadre at the middle level of command. We will also continue to define the service model of various specialties. Our goal is to humanize cadre operations. At the beginning of our conversation I talked about the 15-year timeframe of these operations. It is now 1985 and simple calculation tells us that we must prepare ourselves for entry into the 21st century.

Gen Wladyslaw Hermaszewski

Warsaw ZYCIE WARSZAWY in Polish 23 Aug 85 pp 1, 3

[Interview with Gen Brig Wladyslaw Hermaszewski, president of the main board of the Polish People's Republic Aeroclub, by Wojciech Kiss-Orski: "Art of Flying"; date and place not specified]

[Text] [Question] General, you have been in the army for 39 years and you are constantly flying. Why is it that you haven't gotten bored with it?

[Answer] How can flying be boring? It seems to me that it cannot. I look upon this as something of a marvel. For centuries, man has wanted to tear himself away from earth and this still continues to fascinate people. It is difficult for me to explain this rationally, despite the fact that piloting an airship is a function which is rational from beginning to end. For me, flying has been and continues to be an enormous passion. Although I am no longer piloting jets but sports planes, every flight for me is a real thrill.

[Question] On what, then, is the art of flying based?

[Answer] I will reply without a shred of romanticism. To me, it is the ability to divide attention and coordinate many actions which require piloting and technical precision.

[Question] Certainly this viewpoint would not satisfy very many people. After all, this is a dry, textbook definition.

[Answer] Yes. But in my opinion, this is what flying comes down to. All other frequently colored and imagined statements on this subject are literature. Romanticism ends at the moment the plane and the pilot, after the plane has left the ground, must become as one, working as a team. There simply is no time for romanticism.

[Question] You have spent almost 5,000 hours in the cockpit. Always with that passion?

[Answer] Always. I wonder about this myself. So many thousands of hours in different cockpits, more and more modern, crammed with instruments and devices which require constant attention and the highest concentration. And yet one likes this and gives himself up to it totally. But frankly speaking, there were times when it would have taken very little for me to give up flying...

[Question] ...probably papa did not allow the young boy to fly?

[Answer] No, that was not it. Papa was no longer living then. He was killed in 1943. My early aviation career was different from those of many others. There was no family tradition, no beginnings in a flying club. To this day I don't really know what drew me to aviation. In 1948 I applied as a volunteer at Deblin and after passing the tests and medical examinations I was accepted. I wanted to be a fighter pilot, nothing else. But to return to your question... the instructor who took me up on my first familiarization flight, in a UT-2 training plane, behaved rather badly, I think. He executed a set of basic acrobatic maneuvers that were a real shock for someone unaccustomed to being in the air. I was half-conscious and when we landed I wondered whether or not I shouldn't abandon the thought of flying. But another instructor, Warrant Officer Pietrucha, brought me around and taught me to like flying. He was a good teacher, an instructor pilot by calling, and it is thanks to him that I am still flying today.

[Question] When did the real, dreamed-of, fighter-plane flying begin for you?

[Answer] In 1949 after completing training on the JAK-9 aircraft. That was truly a beautiful machine. When it took off with its graceful silhouette, small wings, and 1,200 horsepower engine, it looked like a rocket. During flight the air seemed to change into modeling paste, and this was felt both in the controls and in oneself. It was then that I fell in love with flying for good, and because I began to get grades which, I must say , were better than good, I was doubly happy.

[Question] According to many pilots, the JAK-9 was really a class fighter-plane, but after all, the era of jet aircraft was approaching. You spoke about the aviation of the 1950's, which was just before important changes took place.

[Answer] After a promotion in the Air Force Officers School in Deblin, I was assigned to a fighter-aircraft unit which was commanded then by Maj Edward Chromy. Later I served in the capital, in Bemowo. And that is when these important changes that I spoke of began--the adventures with jets. At Bemowo, 14 airmen were selected for training on jet aircraft, including me, who was the youngest, both in age and in length of service. We were sent to a Soviet air base. At that time everything was maintained in the highest secrecy so we did not learn where we were to land and why an LI-2 was accompanying us until we were in the air. We trained for several months. First these were JAK-17s. When we returned again we trained on JAK-23s, and then on successive versions of MIGs.

[Question] You are today probably the only actively flying representative of that first postwar generation of Polish fighter pilots who were the first to fly jet aircraft.

[Answer] No, I am not the only one. There are two of us. Col Smolik is still flying. Of the better-known pilots of that period, who later performed important functions in Polish aviation, we should mention Capt Tadeusz Krepski, later a general, commander of the aviation troops, and Capt Stanislaw Tanan, now an aviation colonel.

[Question] The move from a propeller plane to a jet plane must have been a great experience.

[Answer] An enormous one. Such a machine aroused real respect. Different velocity, swept wings, no propeller in front--to which one had been so accustomed ,an airtight cockpit--in short, completely different engineering, really an epochal leap. Only one thing in all of this did not change--the essence of flying. The pilot always had to know how to anticipate and be prepared in flight for every eventuality. By so doing he saved himself a lot of emotion and unwanted troubles.

[Question] And were there such moments?

[Answer] Without them there is no flying. I happened to be very fortunate. In 1952 I made a forced landing in Bemowo in a MIG-15 with a dead engine, which, given the experience and instruction of that time, should not have been possible. I was already over the airfield and entering the third turn when the engine died. I was still able to make the third turn--a short one, but the fun began with the fourth. With the engine gone, I had to maneuver the speed of falling so as to be within the boundaries of the airfield. I lowered the landing gear at the last second, but the plane began to drop dangerously anyway. I was falling directly on the hangar. Probably subconsciously I then released the flaps, which gave the plane a little more aerodynamic lift, thanks to which the hangar is still standing and I'm living.

[Question] Many Varsovians remember the flybys, which unfortunately are no longer seen. You looked down at Warsaw from the plane in those days.

[Answer] I took part as a pilot in all air parades in postwar Poland. They included the dedication of Dzierzynski Square in 1951, when for the first time, with others, I demonstrated the JAK-23 jet; in 1955 during the youth and student festival in Warsaw; in 1953 in Katowice; in 1954 over Lublin for the 20th anniversary of the Polish People's Republic; and in 1960 I led a formation of 64 MIG-17 planes over the Grunwald battlefields. I also took part in the air parade of the Millenium observances in 1966.

[Question] Almost 5,000 hours in planes, i.e., almost 7 months without interruption, dozens of different kinds of planes, and now you are flying the Zliny and Kolibry sports planes in the aeroclub. What was your first flight like? Do you remember it?

[Answer] It was in Deblin. I made it in a UT-2, a 125-horsepower single-engine low-wing monoplane, which could reach a velocity of 160 kilometers per hour. I was so happy that I was flying solo that I yelled with joy. I yelled so loud my friends on the ground must have heard me.

[Question] In Krosno at the aeroclub one of the two remaining CSS-13 planes, i.e., the licensed PO-2, called the "kukuruznik" [a type of Russian aircraft], is still flying. I know that you flew it not too long ago. It is probably similar to the plane on which you first began as a pilot.

[Answer] Except that it is a biplane. The engine is the same. Of course, flying the "kukuruznik" today is an emotional experience. An open cockpit, an engine in which the valve lifters jump up and down during flight... anyway, there is a rather amusing history bound up with this plane. In 1953, when I was commander of a squadron in Bemowo, we received a liaison "kukuruznik." But no one knew how to pilot it. I was assigned to test-fly it. When everything went well and I began to fly it regularly, I was assigned to drop parachutists. The parachutist sat in the forward cabin and the plane was piloted from the second cabin, which was not very comfortable. So when the parachutist jumped, I changed seats in-flight to the first cabin and that is how I landed. One day after landing the commander charged me with violating regulations, because dropping parachutists from the second cabin was not allowed. I explained that--as I believed at the time--I did not violate any regulations because I simply changed seats in=flight. Of course I was severely punished and I never did that again.

[Question] You mentioned in the beginning that your family did not have an influence on your going into aviation. Did your two younger brothers, Boguslaw and Miroslaw, go in because you did?

[Answer] I don't know that they followed my example. Perhaps they answered their own call, just as I did.

[Question] General, let us end our conversation on a festive note. Today marks 41 years since the the first formations of the Polish People's Air Force joined the frontline battles with the Germans, executing operations in the region of Warka and Magnuszew. The 23rd of September 1944 marks the beginning of annual observances of Air Force Day. In connection with this holiday, what would you like to say to the people in the Polish Air Force?

[Answer] First of all, my sincerest esteem and respect to all of the veterans of our Polish aviation, the people who spilled their blood for Poland, and who in the postwar years with such dedication and commitment gave of themselves to educate and train the present generations of airmen. I want to express my gratitude to all of those who regularly, in the regional aeroclubs, stint no time or effort in training the young people. And finally, to all young and ambitious boys and girls: May they want to become part of what is, in my opinion, the most magnificent field of this age.

Gen Jerzy Skalski

Warsaw TRYBUNA LUDU in Polish 13 Sep 85 p 3

[Interview with Gen Div Jerzy Skalski, commandant of the Warsaw Military District, by Stanislaw Reperowicz; date and place not given]

[Text] On 14 September 1944, units of the Polish First Army, in cooperation with the Soviet Army, liberated rightbank Warsaw-Prague and hurried to the aid of the insurgents. The Polish detachments, after forging the Vistula, established two bridgeheads on its left bank: one at Czerniakow and the other at Zoliborz. At the cost of an enormous toll of lives, they held them until 23 September, when under the pressure of the enemy's overwhelming strength, decimated, they were forced to retreat to the Prague shore. They forged the Vistula River again on 17 January 1945 and liberated the capital. They then took part in restoring ancient Polish lands, as far as the Odra, Nysa-Luzycka, and Baltic, to the mother country.

In the Warsaw Military District there are units which are continuing the frontline history of the divisions and regiments which 41 years ago spilled their blood on the streets of Warsaw. Several of them have been honored by naming them "Warsavian" and "Praguean. I asked General Skalski how these beautiful combat traditions are known, respected, and developed by today's generation of soldiers.

[General Skalski's answer] We acquaint our successors with the broad panorama of Polish fortunes and misfortunes. We teach our soldiers that first there was the tragic September of 1939, when the weakness of the social and state system and the lack of the right political and military alliances led Poland to the loss of its independence. The second September, in 1944, and the restoration of independence, became possible because the Polish left drew the correct conclusions from the previous September and based its struggle for liberation on an alliance with the Soviet Union. Now we have another September, the 41st in peace, in a year in which we observed the 40th anniversary of the victory over nazism. It is important to Poles also because of the approaching elections to the Sejm. This is indispensable to the security of the Polish People's Republic.

The traditions of the battle for Warsaw are very dear to us all. The mermaid in the crest of the city of Warsaw is a symbol of this. Furthermore, the 40th anniversary of the formation of the Warsaw Military District (WMD), which occurs this year, will be observed on 14 September (by working) to honor the liberators of Warsaw.

[Question] This anniversary is an excellent occasion to take a look at the past.

[Answer] This was a past of struggle, loyal service, and intense work for the fatherland. The WMD soldier who performed peaceful sentry duty on the Vistula, Bug, Narew and San rivers in the first days of the People's Republic performed two basic functions: He defended the recovered independence and he participated in establishing a new social order; he cleared the land of mines and divided it among the peasants in the agricultural reform; and he helped the settlers arriving in Warmia and Mazury and in the rebuilding of Warsaw.

[Question] I would like to ask about the place of the WMD in the armed forces.

[Answer] The WMD soldiers in executing their assignments in the country's defense system prepare themselves to defend independence and socialist achievements. Ties of friendship bind us with the soldiers of the Warsaw Pact armies. Our district maintains particularly close contact with our closest neighbor, the Belorussian Soviet Army District.

The WMD is made up of units which have various assignments in the performance of defense tasks. The favorable evaluations which they obtain during inspections by higher commands attest to the fact that they perform their duties properly. Each year several WMD detachments are singled out for distinction in the Ministry of Defense training order. Our artillery, chemical, antiaircraft, antitank, and reconnaissance personnel receive high standings in the army's top-level combat-utility competitions. We have unquestionable achievements in the development and application of modern mobilization and alarm systems and effective methods of training personnel reserves. Last year the number of top personnel designated exemplary soldiers, commanders or leaders, doubled.

[Question] To be designated "Exemplary Soldier" requires a great deal of effort, far beyond normal duty requirements. Despite that, thousands of young people achieve this each year.

[Answer] That is the result of the educational influence of the army on the young citizens called up for basic military duty. Young, raw, and sometimes somewhat frightened boys, not quite 20 years old, come to us. We teach them the defense craft, but we also teach them to live in a group. We inculcate civic attitudes and convince them that solid work is the basic duty of every Pole. After 2 years, when they go into the reserves, they are already men, physically fit, mentally strong, ideologically committed, prepared properly to perform their duties to the fatherland and the nation. They are socially mature.

Two years of service are a strong influence on a soldier's personality. Actually, the entire term of military service serves to shape attitudes. Planned political training, participation in social life, work in party and youth organizations--all teach respect for human generosity and effort and draw out the values of socialism.

Last year in the WMD several hundred more soldiers were accepted as candidates for the PZPR than in 1983. However, during the first quarter of this year alone twice as many soldiers joined the party than during the same period last year. These changes in soldiers' attitudes during military service are even more evident when we look at the growth of membership in the ZSMP (Union of Socialist Polish Youth). As a rule, during conscription, scarcely a few members of youth organizations are found in each subunit, while several score are unaffiliated. When they complete their service, at least every other soldier is a member of ZSMP.

[Question] We see that the ties between the army and society are growing stronger.

[Answer] We maintain them primarily with the working class and the countryside. Workers and farmers are our guests and we are theirs. We try not to lose contact with reservists, former professional soldiers, and former soldiers in the regular service. Many party and youth activists are recruited from among them. In our district over 100 educational institutions are named after heroes of the Polish People's Army, or after frontline military units. This makes it easier to reach the youth studying in these institutions. The officers working as instructors in the ZHP (Polish Scout Union) can be very proud of their good achievements. Military units are patrons of over half of the various types of schools, state children's homes, and youth arts and sports groups. All these contacts bring youth closer to the military and to the ideals which it serves. They promote patriotic and internationalistic attitudes in the young generation.

[Question] The examples given speak of the participation of the army in a nationwide program for bringing up the young generation to be knowledgeable builders of a just, thriving and secure Poland. The participation of our armed forces in overcoming the socioeconomic crisis is also well-known.

[Answer] Our soldiers participate in this process in all kinds of ways. There are various functional units in WMD and in the army. Some of the units, as, for example, the territorial defense units, specialize in performing production-training tasks. They build roads, railroad tracks, houses, factories, repair municipal equipment, and work in key industrial facilities. In Warsaw they worked on rebuilding all of the important buildings.

In addition, the remaining units, called line units, also work for the economy and society. For example, WMD engineers build several bridges each year for the civilian population. Other units recently dug over 30 deep wells in Radom Province in villages which had no potable water. Currently, WMD soldiers are working on construction of a metro and reconstruction of the capital's transportation system. Although it is already 40 years since the end of the war, engineering patrols in the WMD recover approximately 100,000 deadly objects from the ground each year, thus saving many human lives.

In helping the country, they are learning. Every fifth soldier in the WMD acquires a vocation in the army, and every second or third improves the skills he already has.

[Question] I have heard that the army teaches good management.

[Answer] We try to teach the soldiers the habit of economizing on everything: weapons, spare parts, fuels, energy, etc. In this way we want to establish a sense of concern for public property. We also teach correct organization of work, which helps to improve management efficiency.

We produce many things ourselves, thus reducing budgetary expenditures. For example, most of the training aids are made by the soldiers themselves under cadre direction. The houses and preschools built by the army greatly alleviate the housing shortage in some garrisons and increase the number of educational institutions. The WMD health services supplies the social health service with large amounts of blood and produces, for its own needs, infusion fluids which are hard to obtain. It organizes herb-gathering by soldiers.

The idle farmlands on the fringes of firing ranges have been developed in recent years and and now yield almost 31 quintals per hectare. The hogs and cattle raised near the barracks cover approximately 50 percent of the WMD meat requirements. Expanded cultivation of vegetables under plastic, delicatessen-confectionary production, fruits and vegetable processing, meet the need of many units.

The construction of inexpensive little houses on firing ranges out of old railroad cars and forest windfalls is another endeavor worth mentioning. These little houses are very functional and much cheaper than tents. The cooperation of the WMD billeting and construction services with scientists in the construction of new concrete sewage-treatment plants and water-purification facilities is very important for environmental protection.

[Question] In thanking your for the interview, General, I would like to say that society highly appreciates the achievements of the WMD in strengthening the country's defenses and the national economy. The fact that the soldiers of this district have been entrusted with many important electoral posts is an expression of this regard. In the WMD, 147 professional soldiers are active in the leadership of local party echelons, 197 are councillors at various levels, over 800 are in PRON (Patriotic Movement for National Rebirth), 727 are in ZHP, and almost 300 are in civilian ZSMP boards.

The submission of your name, Comrade General, by the Provincial Elections Advisory Council, as candidate for deputy on the district ballot in Warsaw, is the highest proof of this esteem and confidence.

Gen Tadeusz Tuczapski

Warsaw SKRZYDLATA POLSKA in Polish 13 Oct 85 p 3

[Interview with Gen Arms Tadeusz Tuczapski, deputy minister of national defense, chief inspector of territorial defense, by Henryk Kucharski, editor of SKRZYDLATA POLSKA; date and place not given]

[Question] The Polish People's Republic Aeroclub greeted the 40th anniversary of the reactivation of its operations with some splendid successes on the international arena. They include the individual and group aircraft world championship in precision flying, won in August; the group and individual gold medals won late in August and early September for the world championship in glider acrobatics; and the Aeroclub team's first place in individual and group competitionts for the world championship in aerospace model-making, also in late August and early September. Do these achievement, in your opinion, General, fully reflect the 40-years' work of the Aeroclub and do they show that this organization is working properly and in the right direction?

[Answer] These wins, which bring fame throughout the world for the skillfulness of Polish pilots and modelists and are good publicity for our equipment, apply to only a small segment of our operations. In addition to the relatively still-selective airplane and glider operations, and model-making on quite a large scale, the Aeroclub's statutory operations cover a much wider range of problems. These include our expanding work with the young people, the entire system of airplane, glider, balloon and parachutist training, the spreading of knowledge among the people about aviation and its traditions, the development and dissemination of aviation and aerospace sports, the practice of aviation and aerospace model-making, cooperation with the army in preparing candidates for aviation schools and service in the air and airborne landing forces, etc. In all of these areas, the Aeroclub is getting definite results, albeit not as much as it would hope for, or could. But they are evident, attest to the increasingly better operations of the particular elements of the Aeroclub, and contribute to its overall achievements. This means that one must look more broadly at the traditions and achievements of this organization, which is, after all, a very useful society, than simply through its international successes in aviation sports.

[Question] You mentioned the wide-scale work being done by the Aeroclub among the youth, work that is being increasingly expanded. Would you please say more on this subject?

[Answer] The Polish People's Republic Aeroclub, just as many other organizations and societies, devotes a great deal of attention to large-scale work with young people and regards this work to be one of its primary tasks. It is from this environment that candidates for future contestants and activists are recruited, and it is this environment that is particularly responsive to the Aeroclub's attractive forms of operation. This environment is also one that needs society's influence very much.

In our wide-scale work with young people, aside from training them in various aviation disciplines, polytechnic training, mainly in different types of model-shops, plays an important part. We also place very high value on defense of patriotism, expansion of interests, adherence to national traditions--and not just those of the air forces, social activeness, and a deep interest in community and welfare work.

The young people who are members of the Aeroclub, but even those who are not members but who encounter the work of this organization, thus have many opportunities to develop creatively and properly utilize their abilities and predispositions, expand their knowledge, and improve their skills, e.g., in model-making, flying, jumping, etc.

[Question] Are there definite benefits to the Armed Forces and the country's defenses out of all this?

[Answer] The Polish People's Republic Aeroclub, a highly useful society, fulfills an important function in the life of the country and its people, both by popularizing traditions, as well as by its ongoing achievements. Thus its activities cannot help but be connected with everything that is happening in the country and they are very important. They serve the state and society, if only by shaping social attitudes, offering polytechnic training to the young generations, preparing candidates for specific vocations, as, e.g., a pilot for agricultural or transportation aviation.

The Aeroclub prepares youth for service in the air force and in the airborne troops detachments. It makes it possible for them to study to be pilots, to learn navigational secrets, jump from an airplane, and stay in good physical conditions through participation in aviation sports. It also makes it possible for reservists to maintain constant efficiency and prepares candidates for the Higher Officers Aviation School as well as military aviation schools in general. It also executes tasks in the field of civil defense. All of this, after all, serves the country and its defenses.

During the entire past 40 years, the Aeroclub always demonstrated obvious results in this field and for this praise is due not only to the full-time employees of this society, but also to the vast number of volunteers who unstintingly contribute their own time and labor to multiply the Aeroclub's achievements, attaining better and better results within the country as well as abroad. I would therefore like to take advantage of this anniversary to send sincere military greetings to the aktiv and all Aeroclub members, to wish them further splendid successes in their daily activities and all kinds of good luck in their personal life.

Gen Longin Lozowicki

Warsaw ZOLNIERZ POLSKI in Polish 13 Oct 85 pp 5, 7

[Article by Zbigniew Damski: "A Sketch for a Nonceremonial Portrait"]

[Text] If a person in any kind of position says that he absolutely has no time for anything, then he is not fit for that position and should resign, because he simply does not know how to organize his work.

I emphasize that statement heavily because although I waited for a meeting with its author, he did find the time.

Ask the commander of the National Air Defense Forces (WOPK) where and what kind? Nonsense. And meanwhile Gen Div Longin Lozowicki smiles pleasantly and adds:

--It is worse with private time, time for oneself. I like to hunt, and this year I was only able to go out with a rifle once. I was fishing about three times, and worked in the garden plot probably about five times...

But on that garden plot (... really a working plot, without a dacha...) there is a telephone and in the official vehicle, which stands nearby, there is a two-way radio. The same holds true when on the river or lake, where the fish are.

--You say that I am always "on a leash?" Those are the obligations.

*

It was said of the WOPK once that those are "the first 5-minutes forces.

--Today that is no longer true, says the general. Maybe three, or even less...

Well, people are thinking. Too bad that they are thinking about how to annihilate others most effectively, but regrets alone are of no help here. We must defend ourselves. That is what the forces commanded by General Lozowicki are for. How can one describe most simply, and in an understandable way, what these forces are and what are their assignments?

They fall into two basic groups: means of detection and means of combating. The first group is comprised of radio-engineering troops, the second is made up of aviation and artillery, both rocket and gun. Altogether it is a compact and closely interrelated system, covering the entire country with its network, with particular attention to the most sensitive regions, e.g., open borders.

Understandably, a possible air attack should be detected as soon as possible, as far as possible from our own borders (these speeds today!) and at all altitudes. This is what the most modern radio and electronics equipment is for, because time here is counted in seconds. To service this equipment, people with the highest professional skills are required--but more than that...

continues. Here everything can depend on an ordinary operator, a soldier in the regular service. And man always decides: a machine only supplies him with the information.

It just happens that right now the film "Star Wars" is being shown in the Warsaw theaters. It depicts the mad vision of a "thinking computer" which, once it is recklessly put into operation, whips people intounleashing a nuclear catastrophe. Brr...

--But even in this film, in the end man did the deciding. That is a good sign, but that is also why we demand a great deal of our people.

It takes an excellent and self-reliant pilot to take off on an "interception" assignment, a beautifully trained crew to launch various types of rockets (those to bring down targets at low ceilings, great distances, etc.), and well-staffed antiaircraft gun detachments, which low-flying pilots have always feared so much. But what an enormous responsibility is borne by the person who decides that the planes will take off or that the rockets will be fired.

--That is true, General Lozowicki says. but we are operating in a well-organized system. Not just a system within our own country: this system also encompasses our neighbors, the entire defensive socialist community. Our "protective shield," for example, is supported by Soviet satellite stations, which ensures our main goal: "There can be no surprises." And if we add to this the certainty that everyone will do in his position what is assigned to him and do it well...

--And where does this certainty come from? After all, right now the entire country is talking only about that, about results, because they are not always apparent...

--...because people musts be properly selected, educated and trained, and mainly, their work or service must be organized. Sensibly, so that everyone can see the sense in it, everyone knows his place and feels that he is fully responsible for it. In our service we had to attain this. Furthermore, there can be no "irreplaceable" people: In this system it is inconceivable that there may be a vacancy in some position because someone got sick, for example. There is a firm rule in WOPK that everyone must have a trained substitute and successor.

And here the general again smiles, but with perversity:

--...and that is why I can go on leave for a whole month and not have to call my office even once. I know that when my presence is indispensable, they will find me. I simply must trust and believe my subordinates.

*

It is not necessary to add that everything that concerns the activities of the WOPK and the complex duties and responsibilities of its commander, has been presented only in a very general way, sketched with a broad brush. But I think it is sufficient to grasp their real dimensions and the importance of that which they serve.

--And how does one become commander of such a powerful and complicated machine as the WOPK?

--That is a rather long and complicated story. Basically, I became interested in air defense problems during my year of service in Korea, in the International Commission for Control and Supervision. I was there in 1953 when the cease-fire at Panmunjom was signed, but I also saw the tremendous destruction, and the poor efficiency with which modern planes, because they were already jets, were fought by old, traditional methods of combat. After I returned I concerned myself with these matters in the appropriate division of the General Staff.

Here we must begin to "count backwards." If the man who is a general today was born in 1926 and was already an officer in 1953 (and one worthy of representing the armed forces abroad), when did he begin?

--Early, just like the rest of my entire generation. Of necessity.

*

Wolyn, 1939. The village of Nowa Czolnica has only a four-grades school. In order to go on, one must go to Przebraza, 5 kilometers away. That is where the partisans were, and that is where he helped to defend Poland, in Przebraza.

--...and we defended there until February 1944, when we were liberated by the Soviet Army. In March I was already in Sumy, where the 4th Inf Div was being formed. I was very lucky that I was 17 years old, because they didn't accept anyone younger than that.

Officers school in Riazan, a second lieutenant's star, and then assignment as deputy commander of the 37th Inf Regt, 7th Inf Div. Lublin, Radzyn Podlaski, and from there in the first months of the severe 1945 winter the 37th Inf Regt began its long trek through Poland, together with the entire 2d Polish Army.

--No one has yet described this long journey. And it was really an odyssey, through Kutno, Krzyz and Gorzow, and from there through the Poznan and Wroclaw regions. We did not reach the Nysa [River] until 10 April.

Fording the river (...I waded, holding on to a taut rope, up to my neck in water...), several days of heavy combat on the left bank.

--I was at that river many times years later. And I always looked at it with amazement: Such a dinky little river...

At Daubitz, repulsing the attacks of Field Marshall Schorner's advanced armor units, he was wounded in the hand. A miserable hospital in a brick factory, in what today is Ruszow. When the next wounded from his regiment were brought in, he simply escaped with the drivers. He still made it to fight in Czechoslovakia, near Rumburk. When the war ended, 11 May 1945, he was 4 kilometers from Mielnik, in Czechoslovakia.

--I was 19 years old then, a lieutenant and a company commander. Not a large company: out of 70 people, 22 remained.

*

The end of the war, new matters. First, along with his augmented company, he "farms" in the region of Zgorzelec and Bogatynia. There is no victory without bread. Then other problems fall to him in that part of the country: the campaign to evacuate the Germans and resettle the repatriates from the eastern areas in the recovered territories.

--And what then? Still in Chorzow the defense of the referendum and immediately an assignment to the Infantry Training Center in Rembertow, command of a noncommissioned officers school for a while, and in 1949, the beginning of 3 years of study at the General Staff Academy. Then the already mentioned year in Korea, work in the General Staff, and finally, in 1968, the WOPK.

These last parts of the military resume sound rather dull, but my interlocutor has this fine gift of reducing matters to ordinary, human dimensions:

--...and during those years I had to move 18 times. Except that then a person was young and didn't have much to take along with him...

Here General Lozowicki falls silent for a moment, as if looking back into the past, and finally adds:

--That is why I now find my garden to be so satifying. It is really as if a person were somehow returning to his own roots.

*

He will have to help his wife in gathering the crops from this garden.

--Because, somehow, the young ones are not very eager..

The "young ones", both sons, are in the neighborhood of "30". They have college educations, and work (or rather, serve, because the older one is in the militia and the younger one is in the army. They have families, and there are two granddaughters.

--Strange, but one somehow looks differently at grandchildren. No, he is not saying that he loves them any more than he did his own children when they were little, but...?

On the subject of family the general has a definite opinion: that is the foundation. A good family. A real family. People who know how to establish such a family for themselves are, aside from everything else, "socially valuable." The general has a wealth of experience on this: three-fourths of the WOPK staff are professional cadre, and the troubles and problems with people and their service performance most frequently arise where some kind of family discord exists.

But these discords today often depend on objective factors: financial conditions, lack of housing...

--That is exactly what I was aiming at.

General Lozowicki asks the following basic question: Does housing construction require "foreign-exchange intensive" import? No! We have all of the basic raw materials right here in our own country, and there is enough "processing capacity" if...

--I often travel throughout the country, the general continues, because my work requires it. And I must concern myself with matters of the areas where OPK troops are stationed. The housing construction field is a veritable jungle. In some areas there are enough materials, but money is lacking. In others, the money is there but there is a shortage of contractors, or materials. What is really lacking in such a case? ORGANIZATION! Organization, and once more, organization. Healthy, sensible organization, where action is directed at achieving the desired goal.

As in the WOPK. That is my own comment added to the general's words. Incidentally, it is too bad that Gen Div Longin Lozowicki is not running for deputy in my district.

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CSO: 2600/88

POLITICS BULGARIA

RECENT HIGH-LEVEL CHANGES IN GOVERNMENT EVALUATED

Paris LE MONDE in French 29 Jan 86 p 5

[Article by Waltraud Baryli: "Changes in Party Leadership and Government"]

[Text] Two months before the Bulgarian CP congress, a reshuffle of some significance has been carried out in the leading bodies of the party and government by an "enlarged plenum" of the Central Committee that met on Friday 24 and Saturday 25 January in Sofia, followed 2 days later by a meeting of the National Assembly. The promotions and penalties that were decided on do not include any major surprise, however they do strengthen the position of two men who had already been in the ascendancy for about 2 years: Ognian Doynov, who has been appearing more and more as the big expert on economic issues, and Chudomir Aleksandrov, now member of both the Political Bureau and the Central Committee Secretariat, which puts him in a suitable position to assume, if need be, all or part of the functions of the party secretary general, Todor Zhivkov.

The latter, 75 years old and in power for more than 30 years, is certainly fit as a fiddle, but since the accession to power of Mr Gorbachev in Moscow the gerontocracy is really no longer in fashion, and Mr Zhivkov's personal position seems less unshakeable than in the past, while the country's economy, subject to increasing demands by the USSR, also seems clearly less hearty.

In principle, the transfers and reorganizations that have been carried out, particularly within the government, are dictated by the concern to better deal with the "scientific and technical revolution." Mr Zhivkov told the Parliament: there lies "the key, and even the superkey, to the building of the new Bulgarian society."

Men on the Rise

Vienna--Three councils--an economic council, social council, and council for science, culture and education--will henceforth coordinate the activities of the ministries and institutions concerned, while the creation of a "superministry" of commerce is regarded as helping to harmonize production and supply to the market. These are the main innovations characterizing the new organization chart of the Bulgarian Government, within which the relative weight of the "technocrats" seems increased.

Leadership of the most important of these councils--the economic council--has been entrusted to Ognian Doynov, a 50-year-old engineer, who is at the same time member of the Political Bureau, secretary of the Central Committee, and minister of machine building. Mr Doynov--who is regarded as close to the Zhivkov family--is the only Bulgarian leader to combine such functions.

The second rising star in the Bulgarian party is Chudomir Aleksandrov, a 50-year-old engineer who studied in Leningrad. Mr Aleksandrov, appointed Central Committee secretary, had already occupied this position from 1981 to 1984. He is a member of the Political Bureau and first deputy prime minister since 1984, a post that he left to return to the Central Committee Secretariat, where he will be in charge of scientific and technological matters. According to some observers, Aleksandrov is among the possible candidates to succeed Todor Zhivkov, who is 75 and the "doyen" of the Eastern leaders, and who some say intends to retire.

Among the main victims of the reshuffle is Todor Bojinov, Political Bureau member, minister of supply and deputy prime minister, and Stanish Bonev, alternate member of the Political Bureau and deputy prime minister, who were relieved of all their functions. They were apparently punished for their responsibility in the economic management failures and have been strongly criticized in the Bulgarian press during the last few months.

On other hand, we should mention among those who are "rising" Stoyan Markov, an electronics engineer, 43, named in 1985 to head the Science Committee--renamed the Research and Technology Committee--and now promoted to alternate member of the Political Bureau. He has also been named first deputy prime minister succeeding Mr Aleksandrov.

On the ministerial level, the establishment of a superministry, with the simple title of ministry of commerce, in charge simultaneously of production, supply, foreign trade and resources, seems indeed to strengthen centralization, whose rigidity has already been criticized in the Bulgarian press as responsible for the economy's sluggishness and lack of efficiency. This ministry will be directed by Hristo Hristov, until now minister of foreign trade.

The former ministries of production, trade in consumer products, foreign trade, supply and construction have been eliminated, and some of their directors named to other posts.

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CSO: 2900/1

BULGARIAN DAILY REPORTS ON ALBANIAN AFFAIRS

AU311957 [Editorial Report] Sofia OTECHESTVEN FRONT in Bulgarian on 29 January 1986 carries two articles on Albanian affairs: on page 5, an 800-word "own correspondent" report on the Albanian economic plan for 1986, entitled "An Ambitious Program for Future Development;" and a 1,000-word travelogue by Lyubomir Kolarov on page 7 entitled "In the Mat Gorge."

The first report gives a factual account of the proceedings at the eighth session of the 10th National Assembly of the People's Socialist Republic of Albania, held in mid-January 1986. It reports on the "approval of the plan for social-economic development of the country and the budget for 1986." The report also gives details of the economic plan fulfillment for 1985 in industry and agriculture, mentioning that "in 1985, 120 important national-economy and social-cultural installations were brought into operation."

The report then gives a factual account of the economic plan of Albania for 1986, providing for increases in the gross national product, in petroleum and gas production, mining, engineering, and other branches of industry, as well as in agriculture. Some details are also given of the 1986 state budget. The article is generally positive in tone.

Lyuben Kolarov's "report" from Albania hears the subheading: "A Sunday spent near the great river--giver of electric power and water for the national economy." Kolarov first emphasizes the wealth of water resources enjoyed by Albania, notwithstanding the drought suffered in 1985. He then continues with an account of his car trip to the Mat Gorge, about 70 km north of Tirana, emphasizing the natural beauties of the area, and giving population and geographical data. Kolarov then gives an account of his visit to the "Karl Marx" hydroelectric station in the Mat Gorge, the present capacity of which--300,000 kilowatt-hours--Kolarov notes will be increased to 2 billion kilowatt-hours when the four turbines imported from France are commissioned. Kolarov emphasizes that the region contains "marvelous places for recreation and the development of tourism."

Kolarov then describes his visit to the town of Ulze, mentioning a poster he saw announcing a meeting of the local organization of "the Democratic Front of Albania (equivalent to our Fatherland Front)." He describes the continuation of his trip along the lower reaches of the Mat River, depicting the local inhabitants he saw and commenting that "these proud mountain folk did not and do not yield to severe nature, and in their age-long struggle with the difficulties have revealed the paths for a harmonious life together with the mountains. A harmony, which today gives them an opportunity to be useful to their socialist homeland."

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CSO: 2200/69

DAILY COMMENTS ON TURKISH, CYPRIOT AFFAIRS

AU311901 [Editorial report] Sofia OTECHESTVEN FRONT in Bulgarian on 29 January 1986 carries three articles on Turkish affairs: on page 6, a 700-word article by Petur Prostranov entitled "Formula for Democratization;" also on page 6, a 700-word report of an undated interview given in Sofia by Turkish Cypriot Trade Union leaders to Rumen Kovachev, and entitled "Peace and Unity--This is Our Goal;" and on page 7, an approximately 800-word article by Dlacho Balbanov on the Armenian genocide entitled "The Truth About the Extermination."

Prostranov's article opens with the comment: "The return of Turkey to democracy has become a pressing necessity. This is the general conclusion of the political observers in Ankara in connection with the proposal of the True Path Party (TPP), which has given rise to many lively discussions, and without doubt for a long time it will remain in the center of Turkey's internal political life." Prostranov outlines the TPP's 30part formula for the restoration of democracy, noting the demand by TPP leader Dzhin Doruk [name as transliterated] for a new constitution: "Now Turkey is a military public, and no return to normal civic life is possible with the present constitution."

Prostranov reports that the TPP's proposals produced a response from the Democratic Left Party (DLP), whose leaders, after talks with the TPP, agreed on a joint campaign, on the agreed conditions that "the new constitution must not restrict political life either on the left or on the right, and that only military coups and all activities which hinder the expression of the people's will be banned."

According to Prostranov, the TPP's formula also produced a different reaction from the Social-Democratic Populist Party, [name as published] [SDPP], the leader of which, Gyurkan [name as transliterated], while praising the above initiative, "expressed doubt that a right-centrist and a social-democratic party could agree on a joint formula for democratization. Prostranov adds that the SDPP has also appointed its own commission' "to record a list of antidemocratic formulations" in all government legislation and organizations' rules, on the basis of which the party plans to submit numerous bills to parliament.

Prostranov concludes by commenting that both the formula and the list have received wide support from journalists and politicians, and that since the three parties together enjoy wide popular support, "without doubt we will be witnesses of a stormy internal political life, and certainly only exceptional events can eliminate from it the issue of the democratization of Turkey."

Rumen Kovachev's report is of an interview with Bayram Celik, general secretary of the Revolutionary Federation of Turkish Cypriot Trade Unions, and with Yusuf Akama, member of the federation's managing council, who are part of a delegation invited to Sofia by the Bulgarian machine-building workers' trade union, on the subject of the situation in Cyprus, "which has long attracted the appetite of the imperialists, due to its strategic location." According to Kovachev, Celik characterized the situation thus: "With every passing day the impasse in Cyprus increases. This is the fact to which the leaders of both communities are closing their eyes." Celik, according to Kovachev, said that only the UN could succeed in bringing order to the island.

Kovachev then asked about the federation's role, to which Akama replies that their young organization "is struggling to improve the labor conditions of the Turkish Cypriots, which show a constant deterioration," as demonstrated by living standard indexes. Furthermore, Kovachev reports that Akama said that their organization, in the interests of the working class, "is making a stand against the ideological and economic penetration of imperialism, which not only has turned the island into a threat to peace in this part of the world, but also is continually fueling antagonism" between the two communities.

When asked about the aims of the struggle, Kovachev reports that Celik stated: that "our aims are clear--to bring together the interests of the two communities,... to disclose the instigating efforts of imperialism,... to struggle for friendship and cooperation between the two sections of the Cypriot people, and to continue the struggle for peace and cooperation with other countries."

According to Kovachev, Celik concluded by stressing the significance for the Cypriot situation of 1986 being declared International Peace Year by the UN, noting "the great contribution which Bulgaria is making to peace in the region and throughout the world," and stating that "the leadership of the Bulgarian trade unions gives us a brilliant example of workers' solidarity."

Dalcho Balabanov's article concerns the publication in Turkey of articles "giving a distorted picture of the events connected with the Armenian genocide," intended, "as CUMHURIYET stated on 5 December 1985, to refute the 'version' of the extermination of a people with thousands of years of history." Balabanov finds remarkable the attempts to ignore historical truth, to assert, according to the articles, that the "so-called Armenian question arose not as the result of general genocide, but under pressure from the Great Powers--England, France, and Russia." Balabanov finds that "the Turkish bourgeois historiography" deliberately passes over in silence the fact that the Armenian question "arose not after the 1915 genocide, but much earlier." In support of this, Balabanov quotes Sultan Abdul Hamid's statement after the Berlin Congress that "in order to settle the issue, the Armenian people must be liquidated once and for all," and cites the well-known "directive" of the Turkish foreign minister Talyaat Pasha [name as transliterated], calling for extermination of the Armenians during World War I. Balabanov asserts that these "and many other documents preserved until our time completely refute the attempts of the contemporary Turkish falsifiers of history."

Balabanov continues by offering further historical evidence for his argument, such as Talyaat Pasha's telegrams concerning measures for Armenian genocide, which were sent during World War I to Naim Bey, secretary of the Aleppo Committee for Departation of Armenians, and presented to the publicist Adam Andonian, who published them in Paris in 1920, together with other evidence of genocide. Balabanov mentions cases of Turkish officials refusing to carry out anonymous, extermination orders, such as that of the Aleppo governor Jamal Bey. However, Balabanov notes that there are certain discrepancies in the documentary evidence given in individual editions of Andonian's book, which "'provide grounds' for certain Turkish researchers deliberately to reject the authenticity of the facts set out in the book." Balabanov points out that Western scholars are nonetheless convinced of the authenticity of the documents.

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CSO: 2200/69

BCP LOCAL ACCOUNTABILITY-ELECTION CONFERENCE HELD

AU031255 [Editorial Report] Sofia RABOTNICHESKO DELO in Bulgarian on 31 January, as well as on 1 and 2 February 1986 carries reports from local correspondents on accountability-election conferences on provincial party organizations and of Sofia district party organizations, attended and addressed by various BCP Politburo members, candidate members and Central Committee secretaries.

RABOTNICHESKO DELO on 31 January carries on page 2, a 200-word report from Sofia by Elena Dimitrova, reporting on the accountability-election conference of the Sofia Vasil Levski Rayon, held at the "Georgi Kirkov" hall of the Party House and attended by Petur Mladenov, member of the BCP Central Committee Politburo and minister of foreign affairs, and by Georgi Georgiev, first secretary of the Sofia City BCP Committee. Petur Mladenov "pointed out that the decisions of the historical April plenum of the BCP were of decisive importance for the unrelenting and ascending development of the country" and stated that Vasil Levski Rayon is an example for this progress. Dimitrova continues: "Dwelling on unresolved problems and on certain existing shortcomings, he expressed confidence that the efforts of the rayon party organization will be devoted to the solution of the crucial problem--the acceleration of scientific-technical progress and the worthy preparation of the 13th BCP Congress."

The same issue on the same page carries a 150-word report by Vanyo Stoilov on the Turgovishte Okrug party organization accountability-election conference, attended by Georgi Yordanov, candidate member of the BCP Central Committee Politburo and chairman of the Council of Science, Culture, and Education at the Council of Ministers, as well as by Evtim Krustev, first secretary of the Okrug BCP Committee. Georgi Yordanov is reported as speaking on the importance of "scientific-technical upsurge and intellectual progress."

The same issue on the same page carries a 200-word report by Mikhayl Kulishev from Smolyan, describing the Okrug BCP Organization's accountability-election conference attended by Petur Dyulgerov, candidate member of the BCP Central Committee Politburo and chairman of the Bulgarian Trade Union's Central Council, and by Atanas Atanasov, first secretary of the Smolyan Okrug BCP Committee. Petur Dyulgerov is reported as "evaluating the positive work of the communists in the Smolyan municipality in all sectors of accelerated socioeconomic development and the successes achieved in the revival process which was adopted by the population."

The same daily on the same page carries a 120-word report by Stanislav Kolev from Kazunluk, reporting on the Okrug BCP Organization accountability-election meeting attended by Peko Takovgn deputy chairman of the State Council who spoke on local successes, and by Mincho Yovchev, first secretary of the BCP Okrug Committee.

Sofia RABOTNICHESKO DELO on 1 February carries on page 6 several reports on local party accountability-election conferences held on 31 January. A 150-word report by Dilyan Todorov deals with the Sofia "Kolarov" rayon accountability-election conference, politburo member and [word indistinct] civic committee, and by Georgi Georgievod of the Sofia City BCP Committee. Aleksandrov is reported as expressing satisfaction at the achievements of the Kolarov Rayon communists. A 100-word report from Lovech by Nedyalko Atanasov, deals with the Lovech Okrug BCP Organization's accountability-election conference, attended by Georgi Atanasov, candidate member of the Politburo and secretary of the BCP Central Committee, and by Petur Balevski, first secretary of the okrug BCP committee.

A 150-word report by Maksim Behar deals with the Shumen Okrug BCP organization accountability-election conference, attended by Stoyan Karadzhov, chairman of the BCP Central Control-Auditing commission, and by Georgi Nachev, first secretary of the Shumen okrug BCP Committee. A 150-word report by Nikolay Zhelev deals with the Tolbukhin Okrug BCP Organization accountability-election conference attended by Stoyan Mikhaylov, secretary of the BCP Central Committee, who spoke on "ideological-educational" matters, and by Dimitir Dimitrov, first secretary of the Tolbukhin Okrug BPC Committee. A 100-word report by Maria Marcheva describes the Yambol Okrug BCP Organization's accountability-election conference, attended by Vasile Tsanov, secretary of the BCP Central Committee, and by Ivan Ovcharov, first secretary of the Uambol Okrug BCP committee. Vasil Tsanov is cited as stating that "lofty goals and criteria such as those pointed out by the 1985 February and the 1986 January plenums of the BCP Central Committee can be achieved only through revolutionary changes at the base, as well as in the superstructure."

Sofia RABOTNICHESKO DELO on 2 February carries on page 2, a 300-word report by Nikola Ganchovski, local correspondent from Kremikovtsi on the accountability-election conference of the Kremikovtsi rayon party organization, held on 1 February at the Sofia "Georgi Kirkov" hall. The conference was attended by Ognyan Doynov, member of the BCP Central Committee Politburo and secretary of the BCP Central Committee, chairman of the Economic Council at the Council of Ministers, and minister of machine building industry, and by Georgi Georgiev, first secretary of the Sofia City BCP Committee. Doynov is reported as speaking on local successes of Kremikovtsi and on "certain shortcomings," without further specifying them.

All accountability-election meetings described in the aforementioned reports deal with local working people's achievements. No significant shortcomings are pointed out in the speeches of the aforementioned leaders attending the conferences.

No changes in personnel or leadership of the local party organizations are mentioned.

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CASES OF ALCOHOL ADDICTION DESCRIBED

AU031513 [Editorial Report] Sofia TRUD in Bulgarian on 1 February, on page 2 carries a 1,400-word article by Nikolay Gavrilov, entitled "Visa to Nowhere...." It is published under the rubric "February--the Month of Temperance," which also contains a 600-word article by Tsanka Konstaninova, deputy chairman of the National Committee on Temperance, entitled "With Optimism Toward the Great Goal," dealing in general terms with the importance of temperance.

Gavrilov's article describes his visit to the Sukhindol Fourth Psychiatric Clinic for Drug and Alcohol Addicts, and his conversations with Docent Filip Lazarov, one of the doctors of the clinic, and two unnamed patients, both alcoholics.

Gavrilov reports Lazarov as having told him, among other things, that "some 150 persons, 25 of whom are female, are being treated at the clinic," that he "is concerned with the increased percentage of young people" among his patients, and that "there is only a small percentage of drug addicts in the clinic."

"The problem of alcoholism has recently become ever more alarming," Lazarov is reported as saying. "People are drinking too much because of daily social and psychological conventions, and the 'game' with the glass has become a painful style of human life in which man loses his functions--psychological, physical, and social functions."

Gavrilov describes his conversation with an unnamed patient, a television technician, who, he says "has been abusing alcohol for the past 20 years" and "had spent several years in an Arab country," so that money was not a problem for him. The result, Gavrilov notes, is that the patient was drinking three bottles of hard liquor a day.

Describing his conversation with the second patient, a medical assistant, Gavrilov notes that the patient began to drink at high school "and afterward in the army." "Before coming to the Sukhindol clinic he had been treated in a similar institution in Radnevo."

After describing the poor physical condition of these patients and giving a pessimistic prognosis for them, Gavrilov concludes:

"People with lost hopes and old remorses, and faces marked by the most cruel sculpter, alcohol, remained there in the forest. They have their visa to nowhere, which, unfortunately, can be issued to anyone and not just to a select few. Think about it!"

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CSO: 2200/69

EFFORTS TO RESTORE ESSENTIAL RURAL SERVICES

AU061432 [Editorial Report] Sofia RABOTNICHESKO DELO in Bulgarian on 5 February 1986 carries on page 8 under the rubric "Days and Nights Against the Snowstorms" a collection of reports, all dated 4 February, from okrugs on the intense efforts to restore essential rural services. These comprise a 450-word article by RABOTNICHESKO DELO correspondent Mariya Marcheva from Yambol, a 400-word report by the daily's correspondent Vanyo Stoilov from Turgovishte, and two shorter unattributed reports from the newspaper's Khaskovo and Stara Zagora correspondents.

The Yambol report, entitled "A Brave Struggle," begins as follows: "On the third day there is no pause in the intense work under the leadership of the okrug staff to restore the normal rhythm of life in the okrug, disrupted by the snowstorm." Marcheva notes that all main road routes have been reopened to traffic, but local routes still have to be cleared. She continues: "The road transportation combine has managed to transport milk from all farms in the okrug, and in the morning people in most villages will receive fresh milk and yogurt."

Marcheva then notes that "now the main task remaining for the emergency teams from the electricity supply organization... is to restore the medium- and low-voltage lines and to supply more than 80 villages with electric power." In the town of Yambol intense snowclearing operations continue. Marcheva reports that "hundreds of kilometers of roads have been cleared, tens of kilometers widened to normal capacity--this is the result of the collective's work of the previous day. In the okrug road administration's control room information is updated literally every hour."

Vanyo Stoilov reports from the control room of the electricity services division in Turgovishte on the selfless labor of electrical fitters who "walk along the 1.5 kilometer line meter by meter amid the fields in order to locate the fault." He quotes the division's director as saying: "We immediately formed 12 emergency teams, who by the evening of Tuesday 4 February restored power everywhere." Stoilov then gives a report from the Turgovoshte okrug road administration that "the basic road network is passable under winter conditions, but certain sections have still to be widened and sanded." Petur Karageorgiev, deputy chairman of the Turgovishte Okrug People's Council informed Stoilov that "Tomorrow will already be a normal working day."

The unattributed report from Khaskovo states that the snowfall "as well as bringing long-awaited life-giving water, has also caused some difficulties to the people. The snowfall and wind caused four main electricity power lines to be cut and 103 others to be damaged.

Over 100 villages were left without electric power." However, "as a result of the timely measures adopted, the faults are gradually being eliminated in the electricity supply and in the clearing of the main and secondary roads." The Stara Zagora report states that "the heavy snowfall has seriously hampered the normal rhythm of life in the okrug, and put both people and equipment to the test." However, thanks to round-the-clock efforts "the rhythm of life in the okrug is gradually returning to normal."

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CSO: 2200/69

ARMY DAILY VIEWS 'TEAM SPIRIT--'86' MANEUVERS

AU121951 Sofia NARODNA ARMIYA in Bulgarian 8 Feb 86 p 6

[Senior Lieutenant Ivan Genov article under the 'Weekly International Review' rubric: "Talks and Maneuvers--Two Incompatible Concepts"]

[Text] On the eve of the joint U.S.-South Korean maneuvers "Team Spirit--'86" the reluctance of official Washington, and especially the Pentagon, to depart from the wellworn track of threat of force in the regional conflicts which they themselves have fomented is evident with particular clarity. The maneuvers are due to commence on 10 February. A vast 200,000-strong army with 1,000 aircraft and other fighting equipment is assembling to take part in the maneuvers south of the 38th parallel. Last year's "Team Spirit--'85" maneuvers are remembered as the longest military exercises carried out since World War II. Their organizers gave it the names of a "preventive strike," "initial war" [vstupitelna voyna], and "experimental nuclear war." It is difficult to say what label will be attached to this year's version, but one thing is clear--its sharp end will once again be aimed northward, at the PDRK.

Everyone knows of the DPRK's decision of 1 February 1986 not to organize large-scale maneuvers and to cease all kinds of large military exercises during the negotiations between the North and the South, a decision intended to assist the peaceful unification of the artificially divided Korean peninsula.

One could hardly expect a positive reaction on the part of Washington. In the Pentagon's plans, South Korea figures as a convenient launching platform for aggression not only against the DPRK, and Seoul also plays the role of an inciter of tension in this region of the world. On 18 January the United States confirmed its decision to take part in the "Team Spirit--86" maneuvers, thus sabotaging the negotiations between the North and South.

On the DPRK's side it was correctly pointed out that to sit down at the negotiating table and at the same time to foment war hysteria is in contradiction of elementary logic. It was therefore stressed that the DPRK is compelled to continue the talks only after the large-scale maneuvers of the United States and South Korea have been completed.

The political anachronism of supporting the existence of "two Koreas" has irretrievably outlived its time, and the United States will hardly manage to rejuvenate the concept with such militaristic preventive measures as the "Team Spirit--86" maneuvers. The effect will rather be the reverse--a powerful wave of protest in the South and increased revolutionary vigilance in the North.

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POWER ENGINEERING MINISTER ON POWER SUPPLY

AU101357 Sofia BTA in English 1048 GMT 10 Feb 86

[Text] Sofia, 10 Feb (BTA)--In a number of indices in the field of power engineering Bulgaria ranks among the most advanced industrial countries in the world, Mr. Nikola Todoriev, minister of power engineering said. In an article published today in RABOTNICHESKO DELO he notes that the consumption of electric power per capita of the population is more than 2.5 times higher than the world's average. The minister stressed the following fact: The structure of power generation contains the characteristic features of the most progressive tendencies in this field which find expression in the great relative share of the nuclear capacities in power generation and in the great amount of electricity generated from low calory fuel.

Mr Nikola Todoriev pointed out that today the nuclear capacities generate about 1/3 of the electric power in Bulgaria. There are four 440 megawatt reactors at the Kozloduy nuclear power station. Yet another two reactors, 1,000 megawatt each, are now under construction at accelerated rates at the same power station. The construction of a second nuclear-power station has started near the town of Belene (on the Danube). The minister of power engineering stressed that Bulgaria is the second country in the socialist community after the Soviet Union in which 1,000 megawatt nuclear reactors are under construction. Bulgaria's experience as regards the terms of the setting on stream of the nuclear capacities and as regares the terms of their mastering places here among the most advanced countries in the world. The minister cites an interesting fact: If the average coefficient of the utilization of the nuclear reactors in the world is 62 at the Kozlodui nuclear power station it is 80 percent.

Mr Nikola Todoriev writes that it has been provided for the development of a new trend in nuclear power generation--central heating on the basis of nuclear sources.

The minister said that 30 years ago the most powerful energy blocks were 25 megawatts. Now the power engineering system in this country includes six energy blocks, 150 megawatts each and 15 energy blocks, 210 megawatts each. The "Varna" thermo-electric power station has a capacity of 1,260 megawatts and the "Maritsa Iztok" complex generates 20 percent of the electric power in Bulgaria. At "Maritsa-Izstok" there have been introduced efficient technologies for the direct burning of low-calorie coal in thermoelectric power stations.

Bulgaria's minister of power engineering dwells on the mining of coal in this country. Eighty percent of the coal in this country is mined in open cast mines. In the following few years 87 percent of the coal will be mined according to this method. At the same time the necessary attention is being paid to the mining of brown and other types of coal. These types of coal are mined underground.

Mr Nikola Todoriev also dwelled on some unresolved problems in the field of power engineering. Bulgaria is still lagging behind in a trend as important as the rational use of fuels and energy and the raising of the energy efficiency of the economy. The consumption of fuels and energy per unit of production in this country is still high.

By way of conclusion the Bulgarian minister of power engineering comments on last year's difficulties in power supply. He stressed that the state is providing the necessary resources with which to compensate the lack of water resources for achievinv the energy balance and that the disturbances will be gradually overcome.

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BRIEFS

ZHIVKOV RECEIVES KUWAITI AMBASSADOR--Sofia, 13 Feb (BTA)--Today State Council President Todor Zhivkov received the newly appointed Ambassador of Kuwait to Bulgaria Mr Talib Jalal ad-Din al-Nakib, who presented his credentials to him. Mr Todor Zhivkov stressed the readiness and the wish of Bulgaria to promote and consolidate the friendly relations and mutually advantageous cooperation between the two countries in different spheres. He said that Bulgaria will continue to render support to the Arab peoples for a just and lasting resolution of the Middle East conflict. On his part the ambassador of Kuwait stressed Bulgaria's great merits and its friendly attitude to the just cause of the Arab peoples in particular. In Kuwait we appreciate and respect these activities, he said. The ambassador of Kuwait expressed the wish of his country to cement its friendly relations with Bulgaria. [Text] [Sofia BTA in English 1737 GMT 13 Feb 86 AU] /9738

NATIONAL ASSEMBLY LEGISLATION COMMISSION--A meeting of the Legislation Commission was convened at the National Assembly. Under the leadership of Yaroslav Radev, the commission's chairman, the National Assembly deputies discussed the work of the commission during the past 1981-85 period. The meeting was attended by Comrade Stanko Todorov. It was pointed out that the Legislation Commission's activities are developing in three main directions: supporting the legislative activities of the National Assembly; exercising control upon the efficiency in implementing laws; and cooperation with the work of the organs for law and order. Within a period of less than 5 years, 51 draft laws were reviewed and 14 checks were carried in connection with the application of laws with great social importance. The considerable role of the Legislation Commission in connection with adopting several laws--were made--was pointed out. [Text] [Sofia Domestic Service in Bulgarian 1000 GMT 14 Feb 86 AU] /9738

CSO: 2200/69

POLITICS HUNGARY

LEGITIMACY OF REGIME PROBED, CALLED FOR

Budapest TARSADALMI SZEMLE in Hungarian No 12, Dec 1985, pp 83-88

[Article by Josef Bayer, Candidate and Senior Member of the MSZMP CC Social Sciences Institute: "Legitimacy and Consensus"]

[Text] Legitimacy is a norm of political philosophy which expresses recognition, validity and legality of any political power. Legitimation is the process of the creation of legitimacy, it is a way to the recognition of a political regime. Both terms bear the stigma of professional phraseology; recently their fashionable colloquial use, aside from making an affected impression, also blurs their specific meaning. (We now try to legitimate many things that we had thus far motivated, explained, justified, etc.)

In the vocabulary of classic Marxism--from which emphasis on the ideological dimension of class-rule is never missing--none of these terms have ever played a role. In their current interpretation they acquired popularity only as a result of Max Weber's teaching, and they reached us primarily in the 1960s and 1970s as a result of Western political science discussions about the "legitimacy crisis" of capitalism. Meanwhile the various standpoints blended into theories and recently they have also been used for the analysis of the political system of socialist countries.

The question arises: do the legitimacy theories provide us with such an original theoretical and methodological viewpoint that may enrich our knowledge about the functions of a political system? According to the Marxist political scientist G. Therborn, this is only in part true since although these theories are pointing to important problems, however, they pose questions with a false framework. They are neither empirical nor analytical conceptions, but normative, i.e. the system should be legitimate and the way it should be so, this is their main problem, rather than the analysis of the real functions of political power. Although they place emphasis on the role of ideology in the functioning and maintenance of political power, they are often interpreting the concrete functions of ideology in a lopsided and idealist manner.

Among Marxists it is generally accepted that no class rule can prevail in the long run without ideological support. For it is possible to rule for a short time by using brute force (for example over slaves), yet the specific practice and internal structure of a ruling class eventually requires ideological justification. According to Max Weber, in the first place it is just the latter, the relationship between the ruling person or group and their "staff" which is the decisive factor in the definition of the various types of legitimacy. Thus from the definition of legitimacy the problem of class-rule disappears and the "pure" political power, that is detached from the remaking of class relations, tends to become the objective of ideological justification.

Power it is known, is a two-sided reflective relationship. A king is only made a king but his relationship to his subordinates. Thus no regime can function without a certain degree of recognition by its subjects, by their obedience and "consensus." This may be motivated by a variety of things, the scale of which extends from forcible submission to the brute physical force to resignation resulting from the feeling of helplessness, which leads through the momentum of habit to voluntary followership and even to enthusiastic and active support. Thence legitimate is considered to be a regime that is not based on brute force alone, instead its subjects voluntarily and inwardly accept it and on some kind of general ideological basis recognize it as justified and lawful, and therefore they follow its command willingly with an obedience rooted in their own interests. Thus legitimacy is often and rightly considered a condition of lasting and stable power.

With bayonets much can be done, only it is impossible to sit on them. This much cited vitriolic saying by Talleyrand is a warning for every "new prince" who has to create his own legitimacy if he wants to establish a lasting rule.

Thus in this abstract sense legitimacy was born at the same time as political rule, even if it has taken various forms during changing eras. Obviously it becomes a problem in people's consciousness at the time of great changes in power relations and principally during the chaotic periods of system changes. The concept has been used since times immemorial, not only in its stricter family law interpretation (the legitimate or lawful child as the rightful heir), but also in a wider political sense arising from this, as the principle of dynastic legitimacy versus tyranny and usurpation of the throne.

Real history or political science nevertheless starts with the Restauration Period that followed the great French Revolution and the Napoleonic wars. The power of the Holy Alliance set the feudal principle of dynastic, historic legitimacy against the concept of people's sovereignty, from which the legitimacy of bourgeois constitutions was derived. The "legitimists," believers in the reign by grace of God and exercised on the basis of "historic rights," have almost expropriated this concept. Therefore the bourgeoisie, in struggle for its ascendance, preferred the use of the concept of legality, when it wanted to emphasize its justification of its rule. Legality became a synonym of "rational" rule, that has been established by laws made by the people's representatives. As a result of the eclipse of this historic contradiction, it was later nonetheless legitimacy which gained more general acceptance, particularly in the wake of Max Weber's teaching, who gave a more general interpretation to this concept. However legality, the safeguarding of formal lawfulness has remained until now one of the most important mainstays and conditions of legitimate rule.

According to Max Weber the state is a condition of dominance, based on the use of legitimate (lawful) force, and it cannot subsist without the acceptance of its authority. Why do people obey? Of course to some extent under external compelling causes which provoke fear and nurture hope, as well as because of their own various interests. Moreover also on the basis of internal processes of justification and faith in the lawfulness of their submission. Every regime tries to create and nurture this kind of faith.

The three models of legitimate rule are: the traditional, the legal and the charismatic rule. The traditional rule relies on the authority of the "eternal past," on the conventional faith in "the sanctity of traditions, which have been valid since time immemorial and in the legitimacy of people whose authority is rooted in them." The basis of legal rule is rationality, "the faith in lawful order and in the right of command of those people who have been put in charge by it of exercising its rule." The justifications of charismatic rule are the extraordinary abilities of a person, his (her) holiness, heroism and devotion to his (her) vocation. The first model essentially corresponds to the personal and the second to the material pattern of dependence relations (in the Marxist terminology), while the third points at the irrational, personal and confidential relationship with the leader, that may be the peculiarity of exceptional historic conditions. All three have different types of "following," ruling body: the first has patrimonial aristocracy (feudal type of body), the second bureaucracy and the third "experiment."

This concept is still considered fundamental in political science literature, although it has also been widely criticized. The ideal types of Max Weber revolve around the philosophy of history. The differences between traditional and legal rule reflect basically the differences between pre-capitalist and capitalist systems (the prospect of a new system does not yet appear in Weber's work; he views socialism merely as a new degree of progressive rationalism). On the other hand the often disucssed and misinterpreted model of charismatic rule is a phenomenon on transitional, eventful and critical periods of time.

However within this generality none of them is suitable to describe any concrete political system. Thus its critics have often introduced other, more concrete principles of legitimation, which seem to be more useful. The concepts of people's sovereignty and constitutional state are today indispensable elements of the legitimacy of any political system; they are usually complemented by the procedural rules of democracy (elections, the principle of majority rule, etc.), by the idea of nationality and a series of other positive political values. Recently the non-formal, material principles have acquired major emphasis. Thus the state and government system of modern "welfare capitalism" is primarily justified by its effective compliance with its welfare functions, other principles of legitimation functioning only as subordinate elements. In a more vulgarized form this has been defined in the term of "legitimation by means of consumption," whereby we have by and large left the sublime level of normative justification. The material interests, which have so far been washed out from the ideology, now break nonetheless, in a sobering way, into the ideology and promptly acquire a domineering role. Max Weber would have certainly not listed them among the factors of legitimacy, but would have counted them as other motives of obedience.

In the 1960s and 1970s, mainly in the tumults of the student movements, polemics started among leftist theoreticians on the legitimacy crisis of the capitalist state. (These polemics were interesting and from many other viewpoints also instructive, yet their hypotheses concerning a legitimacy crisis have not been vindicated by time; they rather reflected their authors' ideological reorientation. Of course the accusation of their rightist adversaries that precisely the leftist crisis theoreticians were those who provoked a sort of legitimacy crisis, has not been justified either). In the course of the discussions the normative character of legitimacy acquired new momentum to the detriment of the psychological motives behind the acceptance of a rule. J. Habermas criticized the hidden positivism of Weber's conception, i.e. the identification of faith in legitimacy with legitimacy itself. The empirical recognition of a regime is in his opinion not equivalent to its legitimacy.

Legitimacy means that a political order is worthy to be recognized by its subjects. This requires such deeper motives for the acceptance of a regime which express historic justice. However such justifying principles would nowadays challenge the latent class structure of the capitalist system and its social inequalities, and this is in part the root of the legitimacy crisis. Another cause is the gradual disintegration of the traditional social norms, or in other words the preference granted to "system integration," which rests entirely on efficiency principles, to the detriment of "social integration;" all these running parallel with the growing expectations from the intervening welfare state. Nevertheless there is no danger of a general crisis in the system, since the crises perceptible in some areas of society do not add up, it has thus far been possible to isolate them from each other.

Taking issue with the normative dimension, other people rather emphasize the legitimating role of the procedures, which are attached to the institutions. Their point of reference is that people are simply not in a situation to question the norms enshrined in the institutional procedures which determine to a great extend and restrict their behavior.

There is no lack of theoretical interpretations in the legitimacy literature. Moreover there are also empirical research projects under way, which try to assess the acceptance of certain political values and to ascertain the degree of consensus reached in them. The question is, can these findings be interpreted as evidence of legitimacy, since the possibility that they are unreliable comes usually to light unexpectedly and "post festum," and cannot be grappled by means of questionnaires. Legitimacy itself is a qualitative category and therefore it can hardly be measured. With empirical methods only certain political attitudes can be tested, of which we presume that they have something to do with the stability or instability of the political system and are playing a role in the acceptance or questioning of that system. However, a political system may be stable without being legitimate, since obedience may be and in fact is motivated also by other things, and the reverse is also true. Moreover it is also questionable whether legitimacy stands in relation to the fundaments of a social system or only to the ways in which power is being used.

If there are so many questions concerning legitimacy, what is the point in raising the problem? Well, there are certain viewpoints from which its posing seems to be rational and instructive. One of them is the change in the justification structure of a political system, which brings with itself a radical system change. Thus revolutions usually to not topple legitimate orders but only such ones whose legitimacy has already been undermined and disintegrated. Revolutions--in contrast with usurpations of power and coups d'Etat--carry in themselves the principle of their legitimacy, that the revolutionary power unfolds and brings to fruition in its entire institutional system and ideology. It is interesting to note that Gyorgy Lukacs, in an article entitled "Legality and Illegality" that he wrote in 1920, and which was published in TORTENELEM ES OSZTALYONTUDAT in 1923, raises categorically and as a decisive question the problem of the creation of legitimacy by revolutionary powers.

For the process of legitimation runs through a twofold channel: aside from the recognition and support from below--which is difficult to scientifically ascertain, yet politically is all the more perceptible--its "production" and creation from above is also feasible. In the stage of the building of a new legitimacy the latter is certainly the decisive and active factor. The shaping of the entire spiritual physionomy of the new order may be conceived as the process of legitimation. This encompasses the entire pattern of socialization--from the traditional educational institutions to the activities of the new political organizations in that area--as well as the entire organization of mass communication, arts and sciences, including the ideology of the political elite itself. Those Western politicians who undertook an in-depth analysis of the political system of the Soviet Union from this specific point of view--regardless of their political value judgment--reached the conclusion that the new Soviet system had created and gained its own legitimacy.

The evolution of "consensus" from below, even if it is not of secondary importance in this process, it is in its accommodation with the prevailing combination of "compulsion and persuasion" not autonomous. It can only later become autonomous and a spontaneous and organic reproduction of legitimacy from below can only then unfold. This process is far from being harmonious and exempt from contradictions; it is often beset with crises, above all in case the new regime has an underdeveloped class basis, which also determines the rigidity of the political structures. The making of a "natural" renewal mechanism of consensus is in final analysis--among other factors--an indispensable condition of lasting legitimacy. Its adequate structures can only be worked out through reforms and a series of corrections and cannot be provided a priori.

Legitimacy is often built upon such a consensus theory that is based on unrealistic premises. Consensus has notably various, but a least two fundamental meanings, the difference of which is translated in the English language by the terms consent and consensus. The first means acquiescence in and concurrence to something, the other agreement with something. legitimacy is often defined as an agreement between the values accepted by the population and those of the ruling elite. Aside from the fact that in this interpretation the two meanings of consensus are intermingled, the question arises: How can this agreement be reached? According to the prevailing hypothesis the "bourgeois society" grants its consensus and mandate to such a regime--and only to such one--with whose principles of functioning it agrees. This is the ideal model of democratic legitimacy which is being built from below and that nowadays no regime can disregard. Regimes are going their best to obtain at least the appearance of it. Political science begins however where the real political process is not being confused with its justification....

This does not mean that consensus has no important role in legitimation. The matter however is that consensus itself is as fragmented as the entire political structure, that the entire political system cooperates in its recreation, and the mechanism of its development depends on the entire system of interest transmission. In Gramsci's Marxist political theory this is for example reflected in his treating the "bourgeois society" as part of the superstructure. On the other hand Althusser and his followers are speaking about "ideological state apparatus" when analyzing the mechanism of "consensus" making.

If consensus is fragmented, it is obvious that the individual groups have no identical clout from the point of view of legitimation. On the other hand it is an even more important fact that consensus coexists with dissent, the trend and character of which is indeed the crucial question of legitimacy. According to the already cited author, G. Therborn, it is not so much mass discontent, let alone illegal activities or the spread of protest movements which by themselves threaten legitimacy. The crucial test is the appearance of organized challenge to legitimacy and--in case of trial--its impact on the loyalty of the ruling apparatus and its ability to function. Such a challenge differs conclusively from sheer dissent, protest and break of law, it amounts to an alternative and enshrines the promise of a new law.

Such a challenge may be presented by non-governmental revolutionary (or even counter-revolutionary) organizations, or by some fractions of the ruling apparatus, which thereby disorganize the legitimacy of the regime. This concept contradicts the static ideas of the loss of legitimacy. Diffuse and disorganized discontent, skepticism and cynicism alone do not provoke legitimacy crisis, notes Therborn, who supports his assumption with historic examples. All this does not amount, in his opinion, to a negation of the role of the masses, only it provides a more realistic picture about the real functioning of political power. As he observes, dictatorships do not fall because they are unpopular, but as a result of a change in the balance of forces. An important element of this is the internal disintegration process of the ruling elite, as a consequence of which the popular forces can thrust into the political scene and can play their historic role.

....

As we see, the analysis of the legitimacy problem sheds light on interesting aspects of the role of ideology. We should also exactly specify what we are speaking about; is our topic the legitimacy of the social system, the political structure or only that of the government? These various levels are often interchanged and this is particularly risky in cases where the monolithical unity of a political system dominates. In such cases a possible destabilization caused by the mistakes of the government's policy might at once appear as the legitimacy crisis of the entire political and even social system. And it may turn into a crisis, if an ideological erosion starts also within the ruling apparatus, since there is no possibility of solving the arising conflicts by internal moves, or establishing the new ideological and action unity required for the corrections. The history of the internal crises of the East European socialist countries may be enlightening from this point of view. The internal crisis of the party and the paralysis in its capacity of action have always been crucial factors of the deepening of these crises.

Conversely Western political scientists constantly wonder how it is possible that the socialist system, after an apparently deep and in all its symptoms real "legitimacy crisis," consolidates itself quickly and relatively easily, and that the socialist regimes, which are presented by Western propaganda as unstable, appear to be stable in reality. The explanation of this rests of course in the specifics of the entire social system, its conditions of production and in the institutional and intellectual fabric of its superstructure.

All this, together with the desire for renewal of the leading party and the reform capacity of society points to the fact that our system has large "legitimacy reserves." Of course the norm of legitimacy may be approached from various angles and it will always be a topic of political argument. Nobody should expect from Otto Habsburg that he consider our regime as legitimate, but also our more immediate adversaries may question the legitimacy of our system; it suffices that they respect its legality.

Legitimacy is always relative, the principles of legitimacy can of course only comply with their function within some kind of comparative pattern, the test being either the past of the challenge of a present competitor. The time factor plays certainly a great role in the stabilization of legitimacy. The various periods of the political takeover of socialism show changing justification structures. The current economic and political challenges to our system are provoking new tensions, the productive and forward pointing solution of which requires also ideological renewal and must create at the same time a new type of legitimation. The exploitation of the mentioned "legitimacy reserves" is therefore important, although it is hardly a scientific or ideological task alone. It can only be the result of joined social and political efforts.

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CSO: 2500/162

CHANGES IN ORGANIZATION, JURISDICTION OF GOVERNMENT AGENCIES

Warsaw DZIENNIK USTAW in Polish 12 Nov 85 pp 665-667

[Text] Law 262 dated 12 November 1985 on changes in organization and jurisdiction of certain chief and central organs of state administration]

In order to:

--create better conditions for the functioning of chief and central organs of state administration and improve their organization,

--further apply economic reform,

--comprehensively solve important social problems,

--decentralize the state administration and manage the national economy

and in accordance with proposals submitted at meetings prior to elections to the Sejm of the Polish People's Republic, it is proclaimed as follows:

Article 1. 1. An office of Minister of Construction, Land-Use and Municipal Management is established.

2. The jurisdiction of the Minister of Construction, Land-Use and Municipal Management encompasses matters formerly under the jurisdiction of the Minister of Construction and Construction Materials Industry and the Minister of Administration and Land-Use Management, except as provided in Article 7 paragraph 2 and Article 8 paragraph 1 and 3, and particularly matters relating to:

1) town and regional land-use management plans,

2) land management,

3) construction,

4) housing construction and repair of buildings and houses,

5) town planning, architecture and building supervision,
6) construction materials industry,

7) production of specialized machinery and equipment for construction and the construction materials industry,

8) municipal management and its repair facilities and the municipal equipment industry,

9) geodesy and cartography.

3. The Minister of Construction, Land-Use and Municipal Management executes tasks relating to geodesy and cartography through the Main Office for Geodesy and Cartography.

Article 2. 1. An office of Minister of Agriculture, Forestry and Food Economy is established.

2. The Minister of Agriculture, Forestry and Food Economy has jurisdiction over matters formerly under the jurisdiction of the Minister of Agriculture and Food Economy and the Minister of Forestry and Timber Industry, except as provided in Article 3, paragraph 3 and Article 8 paragraph 2, and particularly matters relating to:

1) agriculture, seed and breeding production,

2) plant and animal protection,

3) farmland management and protection,

4) forestry management and protection of forests,

5) agri-food processing,

6) processing of timber and other forestry products,

7) procurement of farm and forestry products,

8) land reclamation and installation of water pipelines to agriculture and the countryside,

9) mechanization of agriculture and production of specialized machinery and equipment for agriculture, forestry and the food industry,

10) geodesic services for agriculture and forestry,

11) hunting.

Article 3. 1. An office of Minister of Environmental Protection and Natural Resources is established.

2. The Minister of Environmental Protection and Natural Resources has jurisdiction over matters formerly under the jurisdiction of the Office of Environmental Protection and Water Management and the Central Office of Geology, and particularly matters relating to:

1) protection and shaping of the environment,

2) water management and flood prevention,

3) protection of natural resources,

4) inland waterways,

5) metereology and hydrology,

6) geology.

3. In addition, the Minister of Environmental Protection and Natural Resources has jurisdiction over matters of natural environment formerly under the jurisdiction of the Minister of Forestry and Timber Industry.

4. The Minister of Environmental Protection and Natural Resources executes tasks of the chief organ of state administration relating to geology with the assistance of the Chief Geologist.

Article 4. 1. An office of Minister of Materials and Fuels Management is established.

2. The Minister of Materials and Fuels Management has jurisdiction over matters formerly under the jurisdiction of the Minister of Materials Management and the Main Inspectorate for Energy Management, and particularly matters relating to:

1) management of raw and other materials, fuels and energy, and their stocks,

2) control over observance of principles of efficient management of raw and other materials, fuels and energy,

3) use of fixed assets in the national economy,

4) state reserves,

5) warehouse management,

6) management of packaging, secondary raw materials, and defective materials.

3. The Minister of Materials and Fuels Management executes the tasks of the chief organ of state administration relating to control of the fuels-energy economy with the assistance of the Main Inspectorate for Energy Management.

Article 5. Matters formerly under the jurisdiction of the Minister for Price Affairs now pass to the jurisdiction of the Minister of Finances.

Article 6. 1. A Main Committee for Physical Culture and Tourism is established.

2. The Main Committee for Physical Culture and Tourism has jurisdiction over matters formerly under the jurisdiction of the Main Committee for Physical Culture and Sports, and particularly in relation to popularizing, organizing and supporting the development of:

1) physical culture and sports,

2) tourism and rest,

3) physical culture, sports, tourism and rest facilities.

3. The chairman of the Main Committee for Physical Culture and Tourism is the central organ of state administration for matters relating to physical culture, sports, tourism and rest. The chairman, appointed, dismissed and supervised by the Chairman of the Council of Ministers, directs the activities of the Main Committee for Physical Culture and Tourism.

4. The Main Committee for Physical Culture and Tourism is also comprised of the deputy chairman and members of the Committee, appointed and dismissed by the Chairman of the Council of Ministers at the proposal of the Committee chairman.

Article 7. 1. The office of the Council of Ministers is called upon to:

1) define the principles of the organization and functioning of state-administration offices,

2) coordinate the implementation of personnel policies in the state administration.

3) conduct personnel matters on persons occupying leadership positions in the state administration,

4) organize the government's legislative activities,

5) control the execution of tasks assigned by the Council of Ministers and the Chairman of the Council of Ministers,

6) coordinate the control activities of the chief and central organs of state administration.

7) establish the rules for managing government real estate at the disposal of the state administration organs,

8) provide organizational, legal and office services for the work of the government.

2. The following matters, formerly under the jurisdiction of the Minister of Administration and Land-Use Management, now pass to the jurisdiction of the Office of the Council of Ministers:

1) supervision over the current activities of the local organs of state administration, in accordance with provisions of the law on a system of people's councils and territorial self-government,

2) coordination and control of activities of local organs of state administration and their organization and functioning,

3) the making of comprehensive analyses and evaluations of the activities of local organs of state administrataion and the results of these activities,

4) execution, with the cooperation of pertinent organs and organizations, of comprehensive control over provinces.

3. The Office of the Council of Ministers is directed by the Minister-Chief of the Office of the Council of Ministers, appointed and dismissed in accordance with the provisions of Article 37 paragraphl of the Constitution of the Polish People's Republic.

4. The Minister-Chief of the Office of the Council of Ministers executes tasks envisaged in the law on a system of people's councils and territorial self=government for the minister pertinent to administrative matters.

5. The detailed scope of activity of the Minister-Chief of the Office of Council of Ministers and the procedures for conducting inspections are defined by the Council of Ministers by way of an ordinance.

6. The organization of the Office of the Council of Ministers is established by statute conferred by the Council of Ministers.

Article 8. 1. Matters of local transportation, roads and transport, formerly under the jurisdiction of the Minister of Administration and Land-Use Management, now pass to the jurisdiction of the Minister of Transportation.

2. Matters of secondary and specialized processing of timber raw materials, formerly under the jurisdiction of the Minister of Forestry and Timber Industry, now pass to the jurisdiction of the Minister of Chemical and Light Industry.

3. Supervision over the functioning of sobering-up places is assigned to the Minister of Health and Social Welfare.

Article 9. 1. The following are eliminated:

1) the office of the Minister of Construction and Construction Materials Industry,

2) the office of the Minister of Administration and Land-Use Management,

3) the office of the Minister of Agriculture and Food Economy,

4) the office of the Minister of Forestry and Timber Industry,

5) the office of the Minister of Materials Management,

6) the Office of the Minister for Price Affairs.

2. The following are eliminated:

1) the Office of Environmental Protection and Water Management,

2) the Central Office of Geology,

3) the Main Committee for Physical Culture and Sports,

4) the Main Committee for Tourism.

3. The Price Administration and the District Price Administrations are eliminated. Tasks formerly under the jurisdiction of the District Price Administrations now pass to the jurisdiction of the treasury offices.

4. The central organ of state administration and the office of the Main Inspectorate of Energy Management are eliminated.

Article 10. 1. The Council of Ministers, by way of an ordinance, will define the detailed jurisdiction of the ministers referred to in Article 1-4, the Minister of Finances on price matters, and the Main Committee for Physical Culture and Tourism.

2. The organization of the executive apparatus of the organs mentioned in paragraphl, the organizational units subordinate to or supervised by these organs and the state enterprises for whom they perform the function of a parent body, are defined in a statute conferred by the Council of Ministers.

3. The Council of Ministers will determine the procedures and dates by which the newly appointed offices of ministers, Minister of Finances, and the Main Committee for Physical Culture and Tourism, will assume jurisdiction.

Article 11. 1. The Council of Ministers, in order to ensure uniform implementation of legitimately singled-out tasks of special social or economic importance, may establish a position of secretary of state in the office of the Planning Commission, ministry, or other office directed by a minister.

2. The Council of Ministers may also specify central organs of state administration whose directors are appointed in the rank of secretary of state.

3. The Chairman of the Council of Ministers appoints and dismisses secretaries of state.

Article 12. 1. The Council of Ministers may, in the structure of the office of chief organ of state administration, establish a government representative for tasks of special social or economic importance.

2. The Chairman of the Council of Ministers appoints and dismisses government representatives.

Article 13. In the law dated 31 July 1981 on salaries for persons occupying leadership state positions (DZIENNIK USTAW, No 20, item 101; 1982, No 31, item 214; and 1985, No 22, item 98) in Article 2 pt 3 the words "chief of the Office of the Council of Ministers" are deleted and the words "deputies to the Chairman of the Planning Commission in the Council of Ministers" are replaced by the words "first deputy to the Chairman of the Planning Commission in the Council of Ministers, deputy Chairman of the Planning Commission in the Council of Ministers, secretary of state, first vice president of the Polish National Bank.

Article 14. 1. Within the scope of the law, former provisions pertaining to the establishing of chief and central organs of state administration are no longer valid.

2. The Chairman of the Council of Ministers, by way of an ordinance issued by 31 December 1985, will define in detail the jurisdictions reserved in the provisions specific to the jurisdictions of the organs elinminated by this law, which are now assigned respectively to the jurisdictions of the organs established on the basis of the law, and the organs referred to in Article 5, 7 and 8.

3. Jurisdictions not covered by the ordinance referred to in paragraph 2 will expire on the date of its publication.

Article 15. The law goes into effect on the date of publication.

Chairman of the Council of State: /s/ W. Jaruzelski
Secretary of the Council of State: /s/ Z. Surowiec

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CSO: 2600/191

COURT RULES ON STATE FIRMS PAY LEVELS

Warsaw RZECZPOSPOLITA in Polish 20 Nov 85 p 4

[Report by (wl): "Social Arbitration Decisions Are Not Actionable"]

[Text] On 19 November the Supreme Court, by dismissing a special appeal, ended the well-known dispute (also described in RZECZPOSPOLITA on 12 November) about whether social arbitration can decide pay levels in a state enterprise.

In January of this year the Social Arbitration Council in the Labor and Social Security District Court in Opole ruled that the application of the trade union in the Opole Automobile Repair Factories for a wage increase was justified and awarded an increase of an average of 2,200 zlotys a month per employee. The decision was motivated mainly by the low level of pay in this enterprise, as compared with others, which was responsible for the fact that employees were constantly leaving. During 1982-1984, 220 employees left, and another 150 have left since 1 January 1985. The deteriorating cadre situation threatened to totally disorganize the work in the factories.

The Arbitration Council's decision also indicated ways to obtain funds for the increase: Fully mobilize the workforce, grant the enterprise the maximum correction index, and reach the point at which payments no longer have to be made to the PFAZ (State Vocational Activization Fund).

The Minister of Justice stated that the Council's decision conflicted with the law and with the interests of the Polish People's Republic. At a hearing before the Supreme Court, the prosecutor general supported the minister's position and stated that the Council's decision is really aimed at obtaining relief from payments to the PFAZ.

Representatives of the trade union and the factory management spoke in favor of dismissing the special appeal.

The trade union representative: Our demand was just. That fact that the Council in justifying its decision indicated that the management attempted to get relief in no way prejudges this case. This is only an unbinding opinion.

The legal adviser: The increase has mobilized the workforce to produce more. The results are already evident.

At the same time, both representatives questioned the procedure by which the decision of the Council, which is a social body and not a judicial body, was dismissed in court.

A procedure before a Social Arbitration Council, in the opinion of the Supreme Court, is one of the stages of mediation in factory disputes. Decisions of this body may be, but do not have to be, binding. Therefore, the Council's decision has no legal validity.

The Supreme Court, composed of three judges (W.Nyga, chairman of the adjudication team, M. Rafacz-Krzyzanowska, and S. Szymanska), thus rejected the special appeal, saying that it is not allowable from a decision of the Social Arbitration Council, which is not a judicial body. The fact that the president of the court is also a member of the Council does not mean that the Council acquires judicial standing.

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SEJM COMMISSIONS MEETING SCHEDULE

Warsaw RZECZPOSPOLITA in Polish 29 Nov 85 p 5

[Text] (PAP) The Sejm commissions intend to complete all of their analytical work on plans for next year's state budget, other financial documents, and laws submitted to the Sejm on Wednesday, by 13 December.

This was decided at the joint meeting of the Commission for Economic Plan, Budget and Finances and the Commission for Legislative Work, with the participation of the chairmen of all of the parliamentary commissions. By that date too, the opinions and proposals arrived at by the particular commissions, will be summarized.

Roman Malinowski, marshal of the Sejm, who took part in the meeting, announced that during the first half of December the presidium of the Sejm would meet with the chairmen of the commissions and the chairmen of the provincial deputies groups, to discuss the plan for the Sejm's work next year and methods of cooperation.

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The Sejm Commission for Internal Affairs and Administration of Justice met on the 28th of this month. Organizational matters relating to deputies' work on a draft of the budget law for 1986 and the commission's work during the current Sejm session were discussed.

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FACTIONAL MANEUVERING IN ADVANCE OF PZPR 10TH CONGRESS

Frankfurt FRANKFURTER ALLGEMEINE in German 8 Feb 86 p 10

[Article by Joerg Bremer: "Jaruzelski Sends Greetings--Polish Communists Prepare for Their Party Congress"]

[Text] Warsaw, February--The discussion between the party leadership and the membership is beginning in Poland at this time. Although the 10th Congress of the Polish United Workers Party (PZPR) is not scheduled to take place until June, perhaps not until the end of June, it is necessary to overcome all disputes by that time, and the majority has to be such as to enable the state leadership under party chief Jaruzelski to conduct a harmonious party congress. The 23d Plenum of the Central Committee provided some indications about the time schedule, and the 24th Plenum clarified the main ideological points, to be followed immediately by the dispatch of a draft program to the party base. Between February and May each party cell must meet at least four times, consulting twice about the program and twice about the party theses. The regional organizations are to consult in the voivodships in May. In November the party had 2,112,000 members. Since the middle of last year the PZPR has again managed to register a greater number of accessions than withdrawals, with party candidates numbering 52,304 by November.

The 23d Plenum stated that there would be individual conversations between local and plant party secretaries and each member. The question here is not another verification, said Central Committee Secretary Mokrzysczak recently in an interview with the party organ TRYBUNA LUDU; the party has 5 years of purges behind it. Rather, the party leadership wants to hear the opinion of every member, he pointed out. This appears to be necessary, for the politics of the technocrats and generals are far ahead of the views of the base. Thus a Stalinist method is now being resorted to to make the economic reform palatable. It was introduced in 1982 without consulting the medium- or low-level cadres and is unpopular because people now have to run greater risks and must work harder. Apparently the reform is still so shaky as to have prompted the following recent statement by party chief Jaruzelski: "The reform has not yet won out, but it is defending itself. That is quite an optimistic observation."

The ninth party congress in mid-July 1981 had been marked by the idea of speedy change. The Solidarity union dominated the thinking and sentiments. The Communist Party made itself more or less accessible to democratic rules, and among the people who obtained posts were some who, though well known, lacked political solidity. Now that reform is taking its toll. By limiting the tenure of any party post to two periods of 5 years each, it was intended to reduce the accumulation of posts. Good people did not leave their professions only to have to start all over again after 10 years. And whoever got on the party horse at that time now will not let himself be unseated.

The preparations for the 10th party congress, however, are not only guided by the resolution of the 23d Plenum; in addition, it coincides in part with the Soviet party congress but for the major part takes place after the Moscow event. Probably the party leadership in Warsaw too wonders about the new course of Soviet General Secretary Gorbachev. But wherever it would like to prevail in certain questions about which Moscow may be holding different views, Jaruzelski might be interested in prevailing during the next few weeks. This may concern questions of personnel as well as the program. It is already becoming evident that the party leadership is courting critics on the so-called right wing, for instance by appealing to the national conscience. Just these days the first congress was held of the "Vistula-Odra Society" headed by the nonparty anti-German Deputy Meclewski, with the party chief sending cordial greetings. A "Grunwald Committee" has now emerged at the Patriotic Movement for National Renaissance (PRON). Here it is said to be primarily a question of collecting funds for a monument commemorating the victory of the Poles and Lithuanians against the Teutonic Knights near Tannenberg. But that is probably not the whole story. PRON--a creation of the government--needs an upswing. Like all united fronts before it, it is ossifying. This would mean the failure of an idea of Jaruzelski's, and the general is therefore particularly interested in what goes on at PRON. The impression prevails that the government and the party wing supporting it are not uncontested. The party is not only a government lobby but also an opposition. Apparently it is less a question of issues--for example, economic reform or Poland's disastrous ecology--than, above all, one of power. Within a period of 5 days the official news agency PAP announced the relief of five district party secretaries. Kociolek, former ambassador in Moscow, is said to be on "recuperation leave." Former Foreign Minister Olszowski is reported to be engaged in academic work.

Nothing has been heard for a long time of Grabski, former economic adviser in East Berlin. In late October 1982 he had composed an open letter of criticism. The fact that Grabski resorted to this unusual method, showed what straits the opposition within the party was in. In the meantime this has changed somewhat. There are now fewer big names of the "oppostion from the right," but there are many who have been deprived of power. These could ally themselves with those who have never been in power but now would like to advance to the decision-making level. Martial law put some generals into posts which really should be held by civilian party cadres. Jaruzelski must see to it that the small "opposition from the right" is not strengthened considerably by this bigger "opposition from ambition." And there is a third counterforce, which is perhaps the most dangerous one. Whoever is still one of the 2.1 million party members has bent himself into shape quite a bit. He participated in the uprising from below at the time of Solidarity and has survived the purges during martial law. He did not quit like so many who belonged to the moderate camp. What can have kept him in the party: his phlegma or his ideological orientation?

The plegmatic ones, Jaruzelski wants to arouse with the individual conversations that have been decided on. The ideologues, he has to convince, and there he will be in difficulty, because ideology has been in no greater demand among the pragmatists in the military than among the economic technocrats in the apparatus. The general's concentration on the party leadership since the change in government last fall shows that he realizes this shortcoming. The 24th Plenum is to occupy itself with ideology and education. A revival of orthodox demands is spreading in the press. There is again more talk about democratic centralism than was the case at the ninth party congress. The party leadership will try also to attack its opponents with ideological arguments. Ideology is always conservative, though. So the government will try to obliterate the contrast between a moderate course and hard-line ideology.

8790/12858
CSO: 2300/187

POLITICS POLAND

BRIEFS

VOIVOD COMMITTEE ECONOMIC TALKS--Wlodzimierz Mokrzyszczak, secretary of the Central Committee and deputy member of the Politburo, chaired a meeting at the Central Committee of the PZPR with the heads of the divisions of party economy within the voivod committees. The meeting was devoted to a discussion of finance and economy within the party in 1986 with particular attention to an improvement of economic management and increasing thriftiness in the current activities of party organizations. Kazimierz Morawski, head of the Central Review Commission of the PZPR, took part in the meeting. [Text] [Warsaw TRYBUNA LUDU in Polish 4 Feb 86 p 2]

CSO: 2600/265

STRAINED RELATIONS WITH SWEDEN OVER BARESIC, OTHER CASES

Stockholm SVENSKA DAGBLADET in Swedish 3 Jan 86 p 13

[Article by Sune Olofson: "Dragicevic, Baresic Pawns in Foreign Ministries' Game"]

[Text] The Foreign Ministry now admits that relations with Yugoslavia are strained. Even though the cases of Ivan Dragicevic and Georg Komaromi have not been settled, the Swedish embassy in Belgrade proposes that Sweden should officially invite Yugoslav Prime Minister Milka Planinc or Foreign Minister Raif Dizdarevic.

The Foreign Ministry had hoped that Ivan Dragicevic could be reunited with his family in Olofstrom before New Year's. That did not happen, however. Yugoslavia is still refusing to release Swedish citizen Dragicevic, even though a court in Sarajevo decided that his passport should be returned.

"Inflamed Atmosphere"

It is also evident now that there is a link between the cases of Ivan Dragicevic and Miro Baresic. In a report to the Foreign Ministry on the paroling of Baresic, Swedish Ambassador Lennart Myrsten writes the following:

"The Baresic decision has naturally complicated the matter of Dragicevic's leaving. It seems to me to be extremely difficult to push Dragicevic's case. Dragicevic, as you know, is now suspected of running errands for the Croatian separatists... Our gunpowder is wet here for the time being."

Everyone who knows Ivan Dragicevic assures us that he has been completely apolitical during his 20 years in Sweden. He only belongs to a Croatian Catholic religious association.

A Matter for Negotiation?

The question now is whether metallurgical worker Ivan Dragicevic of Olofstrom has become a matter for negotiation. Yugoslavia has expectations of more severe steps against Miro Baresic, the murderer of an ambassador.

The Foreign Ministry will not officially make that connection.

"It is probable that Dragicevic will be able to return to his family in Sweden," says Bertil Jobeus of the Foreign Ministry's press office. "We cannot understand why he has been kept so long, more than a year now.

"We have borne in mind certain reports that this issue can be settled, regardless of the friction between the two countries. The Baresic and Dragicevic cases have complicated our relations."

Yugoslavia has not specified the charges against Ivan Dragicevic. No trial has been held. Dragicevic's passport was taken away during a vacation trip in the summer of 1982. In Sweden, Miro Baresic had filed his third application for a parole, which was afterwards turned down. The publicity surrounding Baresic's fourth application for a parole, which was granted, was considerable. Lennart Myrsten writes:

"What offends the Yugoslavs most of all is that the government decided to commute the sentence in spite of the fact that Baresic never showed any real remorse in his repeated statements, either before or after the decision on the parole. On the contrary, he has even declared that he is going to fight for Croatian separatism, to all appearances by violent means, at least outside Sweden's borders. If a criminal like that is paroled, the Yugoslavs will interpret the decision as a tacit acceptance of terrorism."

Former Minister of Justice Lennart Geijer and former conservative leader Jarl Hjalmarsson were the ones who endorsed Baresic's application for a parole. Here is how Lennart Myrsten describes the Yugoslavs' reaction:

"The Geijer-Hjalmarsson pair's maudlin statement demonstrates what to the Yugoslavs is an incomprehensibly naive alienation from reality, in view of his long political past. It seems to me, however, that psychiatrist Goran Sedvalsson, who quite frankly declares it to be out of the question for Baresic to go back to violent crime, takes the prize."

In a year, the prison commission will decide whether Baresic is suitable for half-time release or not. If he is suitable, he will be free in the fall of 1987. From the Yugoslav point of view, the Swedish authorities still have a possibility of acting against Baresic.

A TV program produced by Yugoslavia's state-run television demands that Sweden ban anti-Yugoslav activity and "repair the damage" done to relations by the paroling of Baresic.

Bertil Jobeus says, "The Swedish government has no sympathy for anyone who wants to use violence or threats to undermine Yugoslavia's integrity. Sweden will not assist in breaking up Yugoslavia. We have recognized Yugoslavia, and we desire good and stable cooperation. Yugoslavia is a stabilizing factor in the Balkan region and in Europe."

Lennart Myrsten writes, "In the situation in which we now find ourselves, I wonder whether it would not further our desire to continue good relations with Yugoslavia if Prime Minister Planinc or Foreign Minister Dizdarevic were to be invited to pay an official return visit."

Family Held Hostage

Georg Komaromi has waited in Norrkoping for three years for his wife and two children. They are being held as hostages in Yugoslavia. Komaromi, as the chairman in a workers' court, refused to acquit three high party officials who were suspected of bookkeeping crimes. He fled to Sweden.

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CSO: 3650/117

DRAGICEVIC PERMITTED TO LEAVE YUGOSLAVIA

Stockholm SVENSKA DAGBLADET in Swedish 12 Jan 86 p 7

[Unsigned article: "Dragicevic Home Again"]

[Text] Malmo (TT). "I could never have imagined that it would take so long. When they took away my passport, I thought it would take a couple of days."

Ivan Dragicevic was kept in Yugoslavia by the authorities for 18 months. He has now been reunited at last with his family in Malmo.

"It has been a long wait. I never got to know the real answer to the question of why I was being held, either," he told TT.

There was a celebration at Ivan Dragicevic's home in Malmo on Thursday. His friends came to congratulate him. Several of them had traveled down from Olofstrom, where Dragicevic and his family had lived previously. Flowers from his employer there stood on the table.

"The feelings that my family and I felt when they opened the door to the apartment and I stood outside cannot be described. It was incredibly wonderful to come home," he said.

It all began the week before midsummer in 1984, when the family was to travel for a vacation to Ivan's home town in Yugoslavia. They had lived in Sweden since 1968, but Ivan was still not a Swedish citizen.

The Police Took the Passport

After several days, the police came to the town and took his passport away from him. He was forced to remain in Yugoslavia. His wife and children had to return to Sweden alone.

"It was not a particularly wonderful feeling," he said. "But I believed that it would be settled, since I had not committed any crime. I was accused of being involved in anti-Yugoslav movements that I had never heard of. I have never been politically active."

For a while, he lived at the Swedish embassy in Belgrade. The foreign minister at that time, Lennart Bodstrom, also brought up his case during a visit to Belgrade. During his stay at the embassy, he also received Swedish citizenship. That did not help, either.

"I was very happy about the citizenship, and I believed that it would be straightened out then. It did not go exactly as I imagined."

In the middle of November 1985, he left the Swedish embassy and traveled home to his parents to help them with the farm. Several days ago he received his Yugoslav passport back from the authorities, quite unexpectedly.

"I did not get any particular information about why I was getting it back. I didn't ask, either, I just left."

"Not Bitter"

During the 18 months of his long wait, he was free the whole time, but he had to undergo interrogations.

"I was never afraid for myself, but I was very worried about my family at home in Sweden. I am not bitter any more," he said. "Right now it's just wonderful."

What will happen now is a little uncertain. During the time that he was held in Yugoslavia, his family moved from Olofstrom to Malmo.

"Now I am going to have a really good rest, and think the problem over," he says. "I have to talk everything over thoroughly with my family."

In spite of everything that he was forced to undergo, he can still imagine himself going back to Yugoslavia.

"I still have my old parents there. As long as they are alive, I will visit them. I am not afraid, I have not done anything, and I therefore know that I am not guilty."

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CSO: 3650/117

COMMENTATOR VIEWS SOVIET ARTICLES ON SELF-MANAGEMENT

AU261953 Belgrade Domestic Service in Serbo-Croatian 0900 GMT 26 Jan 86

[Branislav Canak commentary in the "Sunday at 10" program]

[Text] An article carried in the latest issue of the journal VOPROSY EKONOMIKI published by the Economic Institute of the USSR Academy of Sciences, stresses that socialist self-management can be realized exclusively within the framework of real socialism. Branislav Canak has made a commentary on that occasion:

Self-management has been more and more frequently mentioned in the Soviet Union, within the ideological discussions on the development of socialism. Views differ, ranging from the one that the organization of a socialist society has to lead to self-management in its final outcoming to its negation, and negation with such language that one usually uses when speaking about profound ideological deviations.

The discussions on the trends of the building of socialism in Soviet society are lately put into the context of new historical conditions--as has been frequently emphasized also from the political top. One speaks about the tasks of the new historical stage, something which implies new political and ideological answers, of course, and a different economic policy from the one from the past stages. The self-management of the people as the main landmark of future development of the political system of the Soviet Union, was mentioned by Andropov and Chernenko. The new edition of the CPSU program points out that the strategic line of the development of society consists of improving Soviet democracy and in an over fuller implementation of the socialist self-management of the people. However, articles that look as if they come from 1961, the time when the present program was adopted, sometimes appear, particularly in professional periodicals. Thus, an article entitled "Socialist, Self-management in Bourgeois and Revisionist Interpretation," written by (V. Caga) appeared in the January issue of the journal VOPROSY EKONOMIKI. Self-management is possible only in a system of real socialism, all the rest is a part of the arsenal of international counterrevolution, (Caga) says among other things. The author does not locate the nests of counterrevolution, believing, probably, that it is generally known where in the world self-management has been developing without prescriptions and socialist catechism.

The text in the VOPROSY EKONOMIKI is not the only one. Some other theoreticians and scientific workers have made themselves heard during the preparations for the forthcoming CPSU Congress and debates on various spheres of the Soviet ideological, political, and social development. Thus, an article in the journal SOVETSKAYA ROSSIYA last year explains self-management to the readers as giving new form to old reformist ideas and as an attempt to organize society upon anarcho-syndicalist principles. The author even adds that from the standpoint of Marxist-Leninist theory that concept is both utopian and reactionary.

Where does all that gall come from and what for? Who is it that should be dissuaded, and persuaded that self-management has several faces but that only one is the right one? It is possible that what suits Soviet society best in this stage of development is realization of self-management of the people through the state and, above all, through the Soviets of people's deputies. An important role was given to enterprises where, through the law on working collectives, employees get certain opportunities to participate in solving everyday questions. The modernized program that is going to come before the delegates to the 27th CPSU Congress is trying to get rid of some dated views and stereotypes contained in the present version. According to that version, for instance, the CPSU is building Communism within the world socialist system, and, according to the new edition, it is doing so within the borders of its country. This probably applies to self-management, too.

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CSO: 2800/164

KOSOVO TO IMPROVE RADIO NEAR ALBANIAN BORDER

Kosovo SAWP Presidium Meeting

AU051810 Pristina RILINDJA in Albanian 30 Jan 86 pp 1-2

[Report by C. Aliu]

[Excerpts] The Presidium of the provincial conference of the Kosovo SAWP at yesterday's meeting led by its chairman, Hysen Prekazi, and where among others present were Azem Azemi, member of the Presidium of the Socialist Autonomous Province of Kosovo, and Kocusha Jashari, chairman of the Provincial Council of the Kosovo Trade Union Federation, discussed various topical problems of local radio stations, and defined various concrete duties for their improvement.

In spite of results achieved, and continual progress, said Jorgovanka Milojevic in the opening speech and in discussion, there are weaknesses in our network of local radio stations, especially with regard to programming and technical arrangements, since broadcasting in the Socialist Autonomous Province of Kosovo does not operate as a unified network, which hampers the successful realization of present duties, and fails to meet the need for prompt additional general news in all districts. This becomes particularly important, considering the fact that some of these local radio stations are in border areas, where public opinion is subjected to the continual pressure of propaganda from the People's Socialist Republic of Albania. Therefore, our propaganda presentations on local radio must achieve the desired effect with the best possible organization.

Hence, it is important that our program planning in local radio stations in general, and especially in areas bordering on the People's Socialist Republic of Albania, should have analytic features, and well thought-out commentaries on the activities of organized socialist forces, and on the achievements that have been reached in Kosovo. There should be more encouragement than before for the kinds of journalistic approach that contribute to truly human relations between people, and the greatest possible mutual acceptance and understanding between our peoples and nationalities, and the creation of a democratic, self-managing, and socialist consciousness. A weakness of these information media, the meeting observed, is that their programming policy and content do not express properly the interests of the working class and working people in our self-managing society, and that their use of recorded reports weakens their authority and influence, and so forth.

There are various reasons for this situation, but the primary causes are the lack of trained staff and journalists, the lack of material resources, accommodations, etc. Able and trained staff do not stay long in these radio stations, because they do not have good material conditions, and one worry is the fact that various people in responsible positions despise these journalists, which closes off the sources of information. On the other hand, because of the lack of material resources, many radio stations, faced with financial problems, resort increasingly to economic propaganda broadcasts, music, and listeners' requests. This presents a permanent danger of intellectual and aesthetic distortion, leading to a decline of taste, and in recent instances damage to the authority of these radio stations.

To confront all these things, the SAWP must make decisive efforts for the socialization of these information media, preventing monopolistic tendencies in communication, and through its delegates and delegations, influencing programming policy, and editorial and staffing policy, in all the public information media--and also in local radio stations, which form an integral part of this network.

Measures To Prevent Albanian Jamming

AU101726 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 10 Feb 86

[Text] The Belgrade Radio Program Council has endorsed the report on the program of activity of Belgrade radio during the past year. Members of the council have positively assessed both the orientation and quality of the program. Representatives of Belgrade radio informed members of the council about warnings from many listeners that the audibility of Belgrade radio's first program was being interferred with by jamming in the areas of Kosovo and a part of Montenegro and that this was being done exactly during informative programs. Tests carried out have shown these warnings to have been correct. The source of the jamming is in Albania. Belgrade radio has undertaken all measures with our state organs with a view to having this unlawful interference of national and interstate activity prevented.

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CSO: 2800/164

POLITIKA REPORTS ON SATELLITE DISH ANTENNAS

AU111034

[Editorial Report] Belgrade POLITIKA in Serbo-Croatian on 1 February on page 8 and on 3 February on page 6 carries a number of reports, ranging in length from 500 to 1,200 words, on the production, installation, and the legality of satellite dish antennas in Yugoslavia.

The first of the two reports carried in POLITIKA on 1 February, a 1,200-word report by Milisav Krstic, provides details regarding the production and installation of antennas. According to it, Ohrid will soon install a dish antenna of unspecified size "which will enable its citizens to receive almost all the world's radio and television programs which are broadcast via satellite. The engineers from Ohrid's Video-Engineering Work Organization have already completed the project which will be finalized by the installation of a dish antenna produced by the Tito metallurgical plant of Skopje." According to the report "this producer's satellite antennas for the cable television system have already been installed in Split, Sarejevo, Belgrade (Sava Center), Skopje, and Zagreb. As is expected, the satellite antennas will soon be available to the European market. These antennas will be slightly smaller in diameter, 2.4, 1.8, and 1.2 meters."

A boxed report by V.R. within Krstic's report refers to the legal aspects of receiving foreign television programs and cites Zoran Josipovic, assistant secretary to the president of Serbia's Committee for Information, saying:

"Owning an antenna for receiving foreign satellite programs in Serbia is not and cannot be prohibited. The question of receiving satellite programs has not been dealt with in the Law of Public Information because--and the reason is clear--these programs are not broadcast by our domestic television." Josipovic then went on to say that the law on this matter will become more precise in the next few years because all radio and television organizations have the introduction of satellite programs by 1990 in their plans. Meanwhile, "satellite programs are allowed to be received by all those who have an antenna."

The other report carried on 1 February a 500-word report by R. Kovacevic, refers to the installation of a dish antenna in Split. Following the objection raised by the Zagreb Television, an inspector from the Republic's Committee for Traffic and Communications declared the installation illegal by quoting an article from the Republic Law on Public Information according to which "the installation of radio-broadcasting objects for receiving foreign programs outside the Radio Television Zagreb system is prohibited." Apart from the installation of the antenna, according to the inspector, they also broke two federal laws which were not specified in the report, and the international copyright law which our country respects.

A 500-word TANJUG report in POLITIKA of 3 February on page 6 refers to efforts being made in drafting new legislation regarding satellite television. According to the new legislation, receiving cable television programs will require licenses for which only organizations and not individuals will be eligible. The Federal Office for Radio Communications has granted few such licenses. Among the recipients of the license which is valid for only 1 month was the Tito plant of Skopje. The license was granted for the purpose of testing the new antennas only which makes the sale of the antenna to the Split Video Club "unauthorized." According to the TANJUG report "the license for receiving programs via satellites which are primarily meant for cable television require an agreement with the owners of the satellites and with the producers of the satellite programs. An agreement signed with the owners is valid for all receivers in the country. Agreements with program producers is signed either directly by the users themselves or through authorized organizations for the protection of copyright.

"In contrast to these satellites which are used for the distribution of commercial television programs, in the future we shall have radio-diffusion satellites which will broadcast programs for the general public. These are the programs we are currently receiving via ground transmitters. For receiving these programs one will not need a license."

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CSO: 2800/164

KOSOVO LC DISCUSSES VETERANS ALLEGATIONS

AU121727 Belgrade BORBA in Serbo-Croatian 3 Feb 86 p 3

[Article by M.A.]

[Excerpts] Pristina, 2 Feb--On 1 February the Provincial Committee of the LC of Kosovo adopted the draft report on the committee's work between the two conferences, the draft resolution for the 14th Conference of the LC of Kosovo, and the preliminary draft of the amendments to the Statute of the LC of Kosovo. All these documents have been submitted to a public discussion which will last 2 months.

The Provincial Committee of the LC of Kosovo fixed the 14th Conference of the LC of Kosovo for 28 and 29 April 1986. It will be held in Pristina.

What the Veterans Said

At the beginning of the session, Veli Deva requested that the Provincial Committee of the LC of Kosovo be informed about the meeting of the section of veterans from Kosovo who live in Belgrade which was held on 12 December in Belgrade and which was attended by Kolj Siroka. Deva said that he learned in KNJIZEVNE NOVINE that "the conclusions adopted with acclamation and applause" attacked not only some prominent revolutionaries but also the 40-year policy and struggle conducted by the LC of Kosovo in all front. He said that the Provincial Committee must declare itself about such accusations, because silence brings disorientation among LC members.

At the conclusion of the session, Kolj Siroka informed the members of the LC Provincial Committee rather extensively about this meeting, after which an extremely lively and polemical discussion followed in which several members of the Provincial Committee took part. Afterward it was agreed that the Presidium should prepare a special report and that one of the coming sessions should discuss it and adopt appropriate stands.

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CSO: 2800/164

POLITICS YUGOSLAVIA

WESTERN COMMENT ON MIKULIC NOMINATION

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 4 Feb 86 p 6

[Article by Viktor Meier]

[Excerpt] Mikulic said... in a kind of "program-presentation speech before the Socialist Alliance... that he wanted only people in his government who are Yugoslav-oriented and have the necessary professional and "political-moral" qualifications. And if this goal should not be realized, he could consider relinquishing his post [he said].

The formulation "Yugoslav-oriented" has aroused attention in Belgrade because it expresses also unitarist and centralist opinions, even if Mikulic spoke of a "balance" between the interests of the republics and the federal interest. In any case Mikulic appears to see the strong power apparatus of the republics as the opponent; this will result in conflicts. A certain skepticism prevails in Belgrade as to whether Mikulic, a Bosnian, can restore the authority of the federal government as he seems to think he can.

The initiative which led to Mikulic's nomination began last November in the State Presidency and was linked to criticism of Milka Planinc. The initiative was made above all by three Presidency members, Vrhovec (Coratia), Dolanc (Slovenia), and Mikulic. It appear that former general and defense minister Ljubicic, the Serbian representative, who is feuding with the present party leadership, associated himself with them. Whether part of the army leadership also supported the initiative is not known; the army has several times recently supported a strengthening of federal power.

The members of this apparent "alliance" also have differences among themselves. The initiative may have resulted, rather, from an accidential cooperation among the most active elements in the state leadership. All those involved were persons who are having difficulties in their own republics. Mikulic took the chance of stepping down one level in the hierarchy. To be sure, the essential decisions today are made, above all in the federal government [Federal Executive Council]. The "guidance" role of the State Presidency has so far been found not to be effective. The authority of the Party has been in question for a long time. The form of the initiative is tied to the results of the "Critical Analysis" of the functioning of the political system which was undertaken by a commission led by Presidium member Vrhovec. The attempt is being presently made to bring the results of this Analysis into the platform for the up-coming Party Congress in June.

The cautious assessment of this attempt to bring about a "centralist renaissance" is based not only on the anticipated conflicts with the strong republic leaderships but on the inefficiency of the federal bureaucracy to which many speakers from the republics have referred. The initiative is very pointedly against Serbia..., whose party leader, Stambolic, was demonstratively rejected from the beginning as a candidate for the post. Slovenia also has little liking for Mikulic. In Croatia a rather federative spirit has also prevailed, at least in the economic-political field. Intellectuals from all republics fear the "Bosnian conditions"--a reference to the clear disrespect for human rights and freedoms in Bosnia-Hercegovina.

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CSO: 2300/194

BRIEFS

SVETISLAV POPOVIC VISITS KOSOVO--Pristina 13 Feb (TANJUG)--Lieutenant Colonel General Dr Svetislav Popovic, assistant Federal secretary for national defense, who is paying a 2-day visit to the Autonomous Province of Kosovo with his aides, today had talks with Nedjo Borkovic, president of the provincial Executive Council. It was reported that the level of cooperation achieved so far between the Yugoslav People's Army and the Kosovo economy had been successful, and that possibilities exist for further expansion and progress. The representatives of the Federal Secretariat for National Defense will also visit a number of organizations of associated labor in the province. [Text] [Belgrade TANJUG Domestic Service in Serbo-Croatian 1428 GMT 13 Feb 86 LD]/12766

ETHNIC ZONING NOTICED--A session of the Committee for Relations Among Nationalities of the Republic Conference of the SWP of Macedonia discussed the activities of the SAWP of Macedonia in the development of brotherhood, unity, togetherness, and equality in the republic. It was pointed out that the sociopolitical activities and the measures taken in the past period have given quite good results in preventing public organized actions by Albanian nationalists and irredentists. In some communes in which sociopolitical activities have been well-organized and constant, visible successes have been noted. People of Albanian nationality are joining more in actions against the hostile activities of Albanian nationalists and irredentists. It was pointed out in the discussion, however, that even in the capital, Skopje, the phenomenon of creating pure ethnic communities or rather zones is present. In nationally mixed parts of the city, some people sell their apartments and move to those parts where their co-nationals are more numerous. The request was voiced in the discussion that a more serious approach be made to this question and that measures should be taken against this phenomenon. [Text] [Belgrade Domestic Service in Serbo-Croatian 1800 GMT 6 Feb 86 AU]/12766

CSO: 2800/164

INTERNATIONAL COOPERATION IN NUCLEAR RESEARCH URGED

Prague RUDE PRAVO in Czech 4 Dec 85 p 4

[Article by Zdenek Tluchor, candidate of sciences, director of the Institute of Plasma Physics, Czechoslovak Academy of Sciences: "A Hope Named TOKAMAK"]

[Text] We know that both sides at the Geneva meeting between Comrade Mikhail Gorbachev and President Ronald Reagan decided that they will contribute through joint research and practical steps toward fulfilling, among other tasks, the global task of protecting the environment. They consider the broadening of exchanges and contacts in the fields of education, culture and many areas of science, such as the fight against malignant illnesses, to be a worthwhile goal.

Both leading representatives emphasized the potential significance of research focused on the peaceful use of controlled thermonuclear fusion, in which connection they agreed that there should be multinational practical development of international cooperation in the effort to put this basically inexhaustible source of energy to use for the good of the entire human race.

Let us take a close look at the substance beneath the words of the final paragraph of the joint communique. We know from the discussions and publications of recent years that the human race has already exhausted a significant proportion of the resources of fossil fuels (coal, petroleum, gas) which have accumulated on earth over millions of years. Because the supplies of these fuels, which are distributed extremely unevenly among the individual countries of the world, will last but several decades or centuries, the human race is faced with the necessity to learn how to effectively utilize the energy freed from atomic nucleii, i.e., atomic or nuclear energy. One of the ways of freeing this energy is to split the atoms of heavy elements, for example uranium. Since the first Soviet nuclear power plant in Obninsk, built in 1955, the world has been building power plants using the splitting of uranium. But even the supplies of Uranium-235 isotopes, from which energy is obtained in particular with the current generation of nuclear power plants, will last only several decades. In the future, Uranium-238 will be used, and will be converted to fissionable plutonium in so-called fast reactors, with the result that it will be possible to increase the capacity to use fission reactors to meet the fuel energy balance by a factor of at least 20.

However, it is assumed that the main source of atomic energy will later be controlled thermonuclear chain reactions of light elements, for example the isotopes of hydrogen. Both during the fission of the nucleii of heavy elements and during the fusion of the nucleii of light elements, neutrons and other particles are freed whose kinetic energy represents atomic energy. This process was verified as early as during the testing of thermonuclear explosions which took place in the early 1950s. Since that time, the laboratories of the majority of the industrial countries of the world have been trying to develop equipment for the utilization of controlled thermonuclear reactions for the production of energy. On the other hand, thermonuclear fusion has been used for the manufacture of weapons of mass destruction, whether in the form of hydrogen bombs, neutron bombs or other bombs. Supplies of these weapons continue to grow. By limiting armaments or through nuclear disarmament, the human race would not only be able to meet financial needs, but would obtain the materials needed to accelerate research on thermonuclear fusion in thermonuclear power plants.

At present, the instrument designed in the early 1950s at the I.V. Kurchatov Institute for Atomic Energy in Moscow and known as TOKAMAK (after the initial letters of four Russian words which translate to mean "toroidal," i.e., annular chamber with magnetizing coils--ed.) is among the most developed and successful thermonuclear equipment. In the TOKAMAK, ionized gas (plasma) is formed in the annular (toroidal) chamber through which electric current flows to form a strong magnetic field. In order to reach the extremely high temperature needed for a thermonuclear reaction in the plasma, additional heating of it is necessary. One way to do this is to absorb the large high frequency output in the plasma. One of the most effective ways to do this is to use the output of a millimetric wave generator, the gyrotron, which heats up the electrons in the plasma. The USSR is significantly ahead of the rest of the world as regards research on and the manufacture of such generators. This has created an opportunity for Czechoslovak science and industry, within the framework of the joint research project of the Council for Mutual Economic Assistance, among other research projects, to take part in designing and supplying a significant part of this high frequency heating complex for the newly built large superconductive T-50 TOKAMAK at the I.V. Kurcatov Institute in Moscow.

Laboratory centers using this TOKAMAK equipment have been built in the USSR, the USA, Japan, and Great Britain, representing the members of Euratom. But there is still a long way to go to have a demonstrator thermonuclear power plant. For many years the USSR and the USA have had a joint committee for the exchange of experiences and specialized scientists in this field. During its meetings (alternately held in the USSR and the USA), it evaluates the results obtained and the prospects for thermonuclear research in those countries. In recent years, however, its work has been hampered by the American side. One of the key areas of Soviet and American research is specifically the results of heating the plasma using 24 gyrotron generators, which have aroused great interest in laboratories throughout the world.

The last few years have shown that, for functional reasons, thermonuclear reactors must be relatively large and use expensive equipment. Future generations of thermonuclear reactors, like future power reactors, are supposed to cost somewhat less than current 1,000 MW nuclear power plants (with fast reactors). The huge costs exceed the present annual budgets for research in this field, even in the largest countries, indicating that there should be a joint effort on the part of many countries. That is why, as early as 1979 as the result of a Soviet initiative, a research group was established at the International Atomic Energy Agency in Vienna consisting of representatives of Eurotom, Japan, the USSR and the USA, with a view to carrying out a joint project on the TOKAMAK reactor. The international team of scientists and technologists gradually drew up a detailed project for the large TOKAMAK called INTOR, which when approved would be placed into operation in 1993.

There is no disputing the usefulness of such international cooperation in the case of this equipment. While the USSR has been suggesting a joint effort on this project from the very outset, in recent years it has been hampered by the negative position of the Western countries. The efforts of these countries went into individually and independently manufacturing a number of different small thermonuclear facilities similar to the INTOR, but with significantly smaller possibilities. That is why M. Gorbachev suggested first to the French president, and later at the Geneva Summit with President Reagan, the joint realization of the thermonuclear project on the basis of the TOKAMAK equipment. By limiting armaments, further resources have been obtained for the acceleration of this project. I reiterate that thermonuclear power plants will provide a lasting solution to the problem of providing a sufficient amount of energy for the people on earth for millions of years, not to mention their impact on the living environment, where turning to thermonuclear power plants would make a positive contribution to solving environmental problems.

The last paragraph of the joint communique of the leading representatives of the USSR and the USA in Geneva indicates that there is hope for positive steps in this area.

12993/9312
CSO: 2400/98

EUROPEAN CULTURAL FORUM APPRAISED

Bratislava PRAVDA in Slovak 16 Nov 85 p 5

[Article by Gejza Vilcek: "To Proclaim Promulgating Hate as Illegal"]

[Text] Budapest (From our permanent correspondent)--On Friday the Cultural Forum in Budapest terminated the phase of discussions in work groups, and the final week of plenary sessions is coming. On this occasion Miroslav Kaizr, press representative of the Czechoslovak delegation, stated, among other things, the following:

The past 5 weeks of Cultural Forum discussions and 4 weeks of exacting, though qualified and honest work in advisory committees should lead to a conclusive document. At present it cannot be said with certainty yet whether this document is going to be approved, and if so, in what form, scope and level. There are still many open questions and differing opinions regarding the very substance and sense of these discussions, as one could gather from the last presentations of some western countries' delegates. However, as early as today we can state with full responsibility that a significant representation of European culture has met here in Budapest, even when some western countries' delegates have not contributed much to an understanding with their presentations. Most of the gathered people are those, however, who have something to say to one another, who sincerely care about the questions as to what kind of cultural development is to occur in the future and what is the basic condition of this development.

Many delegates have discussed very positively some questions which concern us as well, and which have to be agreed upon. These are the questions of favorable development of juvenile literature and of a broader writers' exchange. Further topics of discussion included the ways of mutual acquaintance, the creation of conditions for the development of literature in lesser known languages and the consequent concern about the quality of artistic translation. Of great importance here is the cooperation of publishing houses, and dealing with many problems connected with the protection of authors against copyright piracy, which occurs particularly in some western countries.

An agreement has been reached regarding the proposal presented by the Czechoslovak delegation to set up a research task "Culture and Humankind on the Threshold of Millennium" which would cover questions of narrower cooperation in the education of young artists' generation, of collaboration among libraries and museums, and those of preserving the cultural values of the past.

The Czechoslovak delegation has very actively contributed to a positive resolving of some problems. During the 2 weeks of the Forum 25 prominent Czech and Slovak writers and experts contributed to discussions, many of them several times. Their presentations were accepted and evaluated as highly qualified and competent. All socialist countries' delegations thoroughly and patiently expounded the ways in which our culture flourishes, and in what ways we contribute to the development of cultural exchange and cooperation. Also, our delegation presented a series of proposals as to which problems should be dealt with in cooperation. However, they were not always met with understanding and agreement.

Prompted by the efforts of some delegations, the Czechoslovak delegation has proposed, issuing from the fact that one of the main obstacles on the road to broaden and improve cooperation is bias, mistrust and disinformation, to condemn psychological war as incompatible with the traditions and purposes of European culture. The governments of participating countries were recommended to take measures which would prosecute the spreading of lies about, and hate toward, other countries, as illegal. This proposal of our delegation has gained support of several other delegations.

To conclude, Miroslav Kaizr has proclaimed that even at present it is possible to state that a magnificent and unique encounter of the representatives of European countries is at stake here. This meeting has contributed to an open dialogue about all significant questions concerning present culture. One should believe that all delegations will draw their own conclusions, which by itself might be fruitful in the future.

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SOCIOLOGY CZECHOSLOVAKIA

FATHER MALY ON HUMAN RIGHTS, POLICE HARASSMENT

Helsinki HUFVUDSTADSBLADET in Swedish 11 Jan 86 p 12

[Interview with Father Vaclav Maly by correspondent Frank Johansson: "A Dissident Speaks Out"; first paragraph is HUFVUDSTADSBLADET introduction]

[Text] Father Vaclav Maly is 35 years old. He is a Catholic priest and lives in Prague. Maly is one of about 1,300 Czechoslovaks who signed Charta 77. He has even been the spokesman for the civil rights manifesto. Vaclav Maly is officially an enemy of the Czechoslovak republic. He is a dissident.

"Hello there, and good luck," he said. "Be careful." When we shook hands he looked me straight in the eye. His eyes flashed and then he looked away again. He does that often. Perhaps because his eyes have a barely perceptible slant.

The pedestrian light changed to green and the little outspoken Catholic priest with the rumpled hair joined the throng. With rapid strides he went past the Hotel Intercontinental. He walked fast. He must get to a much smaller hotel in Prague's old town. In order to check the heating systems and stoke the furnaces. He works as a furnaceman.

"Be careful."

The last words that Vaclav Maly said sank slowly into my consciousness. I tried once more to see him, but the checkered flannel shirt and the dark hair had managed to disappear.

Of course it was not I who should be careful, but he.

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One month later I was sitting at home reading what Amnesty International had written about Czechoslovakia. This was from the 1983 annual report:

"According to Amnesty's information former prisoners of conscience who continue their activies, and their families, are exposed to psychological pressure. Vaclav Maly and Ladislav Lis, who were released from prison in December 1979 are reported thereafter as having been repeatedly interrogated and watched by the police. According to reports Vaclav Maly was threatened with death by the police on 7 January 1982. Since then he has been under increasing pressure from the police to emigrate."

During interrogation on 7 January 1982 the police threatened to kill him in a "fixed" automobile accident or to throw him into the Moldau River from one of Prague's many bridges.

The same thing was repeated on 4 February 1982. The interrogators scoffed at his christian belief, threatened to make him a cripple and he was told not to meet other Charta 77 activists.

Also in Amnesty International's annual report for 1981 Vaclav Maly had the "honor" of being mentioned by name. Then it was a case of extreme mistreatment during a police interrogation.

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"Three or four years ago I was interrogated regularly by the police, at least once a week," said Maly, at home in his apartment in Prague.

"Sometimes the interrogation lasted two hours, sometimes four. Occasionally I sat in prison for two days.

"Now I am called in for interrogation only four or five times a year. The last time that happened was just a week go."

On 19 September 1985 he visited his good friend, civil rights activist Ladislav Lis, in northern Bohemia. Late in the evening the police rushed into the house, searched it thoroughly and took Vaclav Maly away.

"First they took my clothes off down to my drawers, and then they interrogated me about a pistol which I really knew nothing about. The police knew it too. It was just a pretext for disturbing us.

"After the interrogation I was taken--still without clothes--out into a forest. I did not know the area, and I stumbled and fell over tree roots."

Maly still has abrasions on his arms and legs from the episode. He says that the entire time he was in the forest he could hear footsteps and heavy breathing nearby.

"They were trying to frighten me, and they succeeded." Finally he found his way out of the forest and back to the home of his friend.

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Nine years ago, on New Years Day 1977, the civil rights manifesto Charta 77 was published in Czechoslovakia.

The manifesto came from the International Convention on Economic, Social and Cultural Rights and the final KSSE document at Helsinki.

The manifesto states:

"The human freedoms and rights which are outlined in these conventions are features of civilized life which many progressive movements have fought for throughout history, the codification of which can greatly help human development in our society.

"Accordingly we welcome Czechoslovakia's support for these agreements.

"That they are now being published as a code of statutes, however, is a powerful reminder of the extent of basic human rights in our country. Unfortunately they exist only on paper."

Thereafter Charta 77 criticizes Czechoslovak reality in detail, and in the end looks forward:

"Charta 77 is no organization, it has no charter, no journal and no established membership. Every person who agrees with its ideas, participates in its work and supports it can belong.

"Charta 77 is not a basis for political opposition. The group will serve the common interest in the same way as similar action groups in other countries in the East and the West.

"It will therefore not propose its own programs for political or social reforms or changes but will carry on a constructive dialogue with the political and national authorities. This will be especially to prove various specific cases of violations of human freedoms and rights, to prepare documentation thereof, to recommend solutions and suggestions with an aim to reinforcing and guaranteeing these rights, and finally to act as mediator in conflict situations which could lead to violations of these rights.

"By its symbolic name Charta 77 says that it has arrived at the threshold of a year which is declared the year of the political prisoner, and a year when the follow-up conference in Belgrade will test how well the obligations of Helsinki have been fulfilled.

"We believe that Charta 77 can help all Czechoslovak citizens to work and live as free people."

Charta 77 was signed by 257 Czechoslovak citizens. At the same time they chose philosopher Jan Patocka, writer Vaclav Havel, and former Foreign Minister Jiri Hajek from the 1968 "Springtime in Prague" government of Alexander Dubcek as the spokesmen for Charta 77.

Official Czechoslovakia immediately reacted violently to the Charta. Despite Jan Patocka's being very ill he was persecuted until the end by the security police.

Patocka died on 13 March 1977--Charta 77 had its first martyr.

Other leading signatories of the Charta--including Vaclav Havel--were arrested and imprisoned by the regime.

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Even though Charta 77 is seldom seen in the news today, it is working silently the entire time. Every year about 30 reports and documents are published, mostly critical writings aimed at a public authority.

These writings are published in the names of the three spokesmen, who can be and have been women. The spokesmen are changed every year.

Since the start of 1977 the working area of the manifesto has expanded. Charta 77 now also takes positions on peace and environmental issues.

The signers of Charta 77 represent many different political views, and are far from unified on all questions. On the other hand nearly all of them are intellectuals. Charta 77 has never won support among workers or farmers.

The signers can generally be divided into three groups: Christians, cultural personalities and so-called Dubcek communists. For a number of years each of the three spokesmen has represented one of the three groups.

Today about 1,300 Czechoslovaks have signed Charta 77. Every month the number grows by three or four. For many the signing is their only action. The real activists are counted in the tens, not in the hundreds.

As a rule those who sign the Charta lose their jobs, they and their families are harassed by the police, and arrests occur.

Signing Charta 77 means that one is placing himself outside the main stream of Czechoslovak life. It means that he must support himself outside the community.

In 1978 Vaclav Maly signed Charta 77 and in 1981 he was one of its spokesmen.

Today he is 35 years old and a furnaceman at a hotel. But deep inside he is still a priest. A profession which he cannot practice officially--that would be breaking the law.

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As for so many others it also began for Vaclav Maly at the end of the 60's. The young Maly was attending junior college and had plans to be an archeologist.

In 1968 Alexander Dubcek came to power and introduced extensive reforms. Czechoslovakia was going to build a socialist society with a human face.

"We thought that 'Springtime in Prague' was going to change everything. When the invasion came in August--when Soviet tanks rolled into Prague--there were many who gave up. They thought it all was in vain.

"But I said no. We must be able to fight. I had been a Christian my entire life, and now I was especially inspired by the evangelistic texts. I decided when I was 18 years old that I would become a priest."

After six years of study Maly graduated in 1976. He got a job as a prison priest and later as chaplain in a congregation in Prague.

"It was sometime in 1978 that I realized that I could not continue to work like all the others. I realized that I must preach the truth. As a priest I had to be interested in people's problems. I must become involved."

And Father Maly became involved. He began working for the Committee for the Defense of the Unjustly Persecuted (Czechoslovak abbreviation VONS) immediately after it was formed in 1978. And he signed Charta 77.

"I could do nothing else. We priests must also take responsibility here, and not just talk about salvation in another life.

"Within the church, however, they did not understand my decision. It was a crime to sign the Charta. Even Cardinal Tomasek was bitter. He said it was deceitful to mix earthly politics with religion. But now they understand me again. Now we are again on the same side."

In Czechoslovakia priests are paid by the state. And in order to practice as a priest one must have an official license. In this way the state can observe and control the church.

"In 1979 my license was taken from me. Officially it was said that it was because I had improperly performed my duties. But the real reason, which is not written down anywhere, was that I had great influence with the youths--many listened to me. And also that I signed the Charta and was active in VONS, of course."

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In May 1979 Vaclav Maly was arrested. He was one of the critics of the regime who were taken in an extensive wave of arrests.

Maly and the others were accused of conducting destructive activities against the Czechoslovak Republic.

The wave of arrests also crossed the news threshold here in Finland. The trial later the same fall was reported in HUFVUDSTADSBLADET in the news and the editorial columns.

Most reporting, however, was about the writer and former Charta spokesman Vaclav Havel.

Because of his Charta activities Havel had been in prison most of 1977 and 1978. Now he was again among those being sentenced. He received four and one-half years in prison.

Vaclav Maly's name did not appear in the press. But he was also in Ruzyne prison in Prague with Havel.

"I was in prison for seven months. I was released in December and since then the police have always followed me."

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During the time I was in Prague I met Father Maly twice. The first time we met at his home. He lives in one of Prague's southwestern suburbs, high up on a hill overlooking the river valley.

On the outside the house appears to be a neat single family house with flower beds and a trimmed lawn. There is a BMW and a large Skoda outside the garage. But the outside and the inside of Maly's house do not resemble each other.

In the two-story house there are four families, not just one. Maly lives with his father in one room.

In the middle of the floor there is a large table. One wall is occupied by a kitchen cabinet, a counter and a hotplate. Besides the table, the furniture consists of a couple of chairs, a bookshelf and a bed.

On the window sill there is a large radio-tape recorder. The walls are bare except for over the bed, where there is a picture of Madonna and a small crucifix.

Father Maly asked if I smoke and offered coffee. Before we began to talk he locked the door to the stairway and pulled the curtains.

I said something about the fashionable quarter in which he lived.

"Yes, that is true, from a material standpoint most people are well off. Nobody is starving."

Then why protest?

"Because everything is a game--a silent pact between the communists and the people. 'We will take care of the politics and you will become rich.'

"The people have no interest in social problems, only for themselves. Every day one can see how morality is being destroyed. Czechoslovakia is a country without morals, everybody steals from the system. Nobody takes responsibility, nobody is encouragesd to take responsibility.

"The people are cowardly. For example, if safety in a factory is deficient, nobody complains. If someone should complain he is in disfavor with the boss. If the boss finds the least little mistake on the part of the complainer he is transferred--possibly at a lower wage. The workers are more interested in their own wages than in the safety of others.

"In private and in the taverns everyone complains about the unjust and rotten system."

Maly does not expect a reaction such as the one in Poland. He says that extensive protests are not possible.

The living standard is so high that people do not need to feel solidarity. They concentrate instead on consumption.

When I asked him about his own political intuitions he burst out laughing. Then he pondered a moment and replied.

"I am an independent democrat who believes in social justice.

"And in our 'classless' society there is no social justice. There is an enormous chasm between the people and the party elite."

Do you believe that the chasm is greater here than in capitalist countries?

"I don't know. I do not know the conditions in your countries so well. But the situation in our country is a parody of marxism-leninism.

"The ideology as such is OK. But the theory promises something different from what we have in practice. Our leaders do not believe in any ideology--they have no morality and no belief. The only thing they believe in is leadership--their own leadership."

Father Maly says that he believes in the people, and all changes must come from the people themselves.

"Always when I meet people I tell them that they can do something, that it is their duty to stand up and speak out.

"People who work in commerce and are allowed to travel abroad should stand up and say, 'Not just us--everybody should be allowed to travel.'"

Vaclav Maly speaks rapidly and eagerly. Sometimes his English gets mixed up and he substitutes the word in German or French. He gestures with his arms and his glance moves constantly without pausing for long. A big smile dominates his round face. He laughs heartily and often. Since 1981 when he was a spokesman for Charta 77 he has not done much within the framework of the manifesto or in its name.

"Mostly I have worked in VONS, which has a more limited mandate. We support and defend those who are judged in clearly political trials. There are 80-90 such cases each year.

"We look for the reports of proceedings and other documents from the courts, we help the accused with their defense, write and appeal to the authorities, help relatives and friends, etc. It depends on the case."

In other words a kind of free assistance which operates on ideological grounds.

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Vaclav Malỳ has paid a dear price for his activities. He cannot pursue his profession, he has been accused, imprisoned and mistreated. His mail is intercepted and some of it never gets through to him. For several years he has given up trying to get a telephone. Now he is most disturbed by being followed regularly by the security police.

"Sometimes there are two policemen and sometimes 10. They wait for me outside my job and follow me wherever I go.

"If I meet anyone, that person is thereafter called in for interrogation and harassment. They want people to avoid me.

"When I notice that I am being followed I avoid friends whom I know are unknown to the police.

"The surveillance does not follow any pattern. Sometimes I can go for a week without being followed, sometimes they are there several days in a row.

"I am sure that some of my neighbors also cooperate with the police."

Doesn't that make you paranoid?

"No, no, no, no," he said very quickly, and then laughed for a long time. Then he became serious again.

"I know that the risk exists, and I always try to work against it."

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The highly notorious trial of the VONS and Charta 77 activists in October 1979 was the last of its kind. And the numbers of prisoners of conscience which Amnesty International works for in Czechoslovakia has declined from 35 in December 1981 to 14 in mid-June 1985.

The outward appearance is that developments are moving toward a more liberal and humane direction. The truth is something else.

Instead of long prison sentences for subversive activity, the civil rights activists get several days arrest for various small misdemeanors. Instead of large trials, a short two hours interrogation once a week.

The goal of the Czechoslovak regime is clear: to in every way limit and subvert the activities of the dissidents--without putting them in prison and without the negative publicity which this imprisonment causes. House searches and constant surveillance by the security police are effective methods.

If you can not put the people in prison, bring the prison to them.

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Father Maly's contact with the outside world takes place through friends and friends of friends.

"I get news from the West mainly via LE MONDE which an acquaintance smuggles in for me. Newspapers circulate from hand to hand like Samizdat newspapers in the Soviet Union.

And via the radio. While I was visiting him Maly tuned in the news from Voice of America.

Do you listen to Voice of America regularly?

"Yes, if I can manage to be at home. But not only Voice of America, I also listen to Austrian Radio and BBC.

According to Maly over half of the Czechoslovak people listen to foreign radio stations and look at foreign TV.

"But they are too cowardly to admit it openly. Most of them inwardly support Charta 77 also, but they don't boast about that either. It is all a kind of double-dealing."

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Three days later we met again. This time it was outside the hotel where Maly works. We had agreed that I would sit and wait on the steps of the church opposite the hotel. If he was being shadowed he would go past me without showing any sign of recognition.

"Hi, how is everything?"

"Fine, and you?"

"I was followed all day yesterday and the day before. Today there was nobody, you were lucky."

Maly does not want to remain long in the same place. We walked through the old town and down by the Moldau. By the river bank we passed the Dvorak Room where the same evening I was to hear a concert by the Czeckoslovak Philharmonic.

We discussed this and that. I tried to ask Maly about his views on world politics. We had talked a bit about this during the evening at his home.

"Communism is evil," he said.

You no longer believe in reforms as in 1968?

"I am a realist. Geopolitically we are a Soviet satellite, and to change that would be an enormous and slow process.

"Of course you understand what I mean. You in Finland must also glance in the direction of the Soviets. You are not free as is Sweden."

Reforms in the Soviet Union then, how would they affect Czechoslovakia?

Gorbachov is not a declared ideolog. He is a business manager. His goal is to strengthen the Soviet economy.

"But behind him there is still an ideology--the same old ideology. To support all communist revolutions and to rule the world. A better Soviet Economy means at the same time a better Soviet Army--also in Czechoslovakia.

"As long as communism exists there can only be room for limited freedom."

He ponders a moment and then continues.

"But I also approve of limited freedom, that is better than no freedom at all. For example, it is better in Hungary than it is here."

And also at Father Maly's home.

On the way up toward the view point where the statue of Stalin looks out over Prague, Father Maly repeats his views.

"But the world is not black and white. And I am not so naive. America has its own problems and there is much which is wrong there too. What Reagan is doing in Central America is wrong."

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We reached the top and looked out over Prague's church towers and roofs. Although it was sunny one could not see very far. There is always a haze over the city--the air is among the dirtiest in Europe.

Father Maly's thoughts were far from Prague.

"At every interrogation they offer me the chance to emigrate. But I do not dare. Then I would never be able to return.

"I have never been outside of Czechoslovakia. Not even to other East bloc countries."

Theologian Vaclav Maly has received several invitations from foreign universities. For further studies. But he has always said no, thank you.

"Of course I would like to travel abroad. But only for a few years. To see how life is there."

Maly does not want to be away from Prague and Czechoslovakia. His life is here.

"I am a Catholic priest. I cannot leave my task.

"Although the political situation is going badly, I always have my faith and my studies to fall back on. And of course VONS. Today I learned about two new trials."

With mention of the two trials the sunny smile returned to Maly's melancholy face.

"Now and then I do various small jobs for the church. Of course, since I do not have a license it is prohibited--if I were permanent I could get up to two years in prison."

I carefully asked Father Maly if my writings were going to cause him problems.

"Perhaps, perhaps not. But write. Then people will know. I have nothing to hide, I work completely openly."

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Maly has already overstayed his lunch hour, and wants to leave.

Do people recognize you on the street? Do they know that you are Vaclav Maly?

"No, they do not. At work they know that I signed the Charta. And the neighbors, of course."

What do they say about that?

"Support is always concealed. A pat on the shoulder here, a favor or the wink of an eye there. Not much, really."

Maly tells that the results of the Charta 77 text are mostly seen indirectly.

"When we send writings to the authorities about, for example, the dying forests, the immediate reaction is to call in the spokesmen for interrogation. The police want to know who wrote it, etc.

"But then after a while articles appear in the official propaganda organ. These articles take up the same shortcomings which the Charta writings pointed out."

We stopped for a moment on a bridge over the Moldau.

In almost exactly two months President Reagan and party leader Mikhail Gorbachov will meet in Geneva.

In the western daily papers which I have given to Father Maly, Reagan's aides say that they do not expect to allow Gorbachov to avoid the question of human rights in Soviet-dominated Eastern Europe.

Reagan, Shultz and company less frequently express themselves about human rights in El Salvador, South Korea, Chile and the Philippines. They only complain when they are not satisfied with the regime's domestic political orientation.

Human rights have become a political cudgel.

From that standpoint Vaclav Maly is fortunate. He is a critic of the regime in the right society. He has strong defenders.

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Through the eyes of a tourist--seeing what black market currency can buy--the world in which Vaclav Maly lives looks totally acceptable. For him it is hell.

He could live comfortably in any West European city. He could also live comfortably in Czechoslovakia. But he does not.

Why do you make your life so difficult?

"I am a Catholic priest. I am just doing my duty."

The reply is direct, and when he says it he shrugs his shoulders, as if to say that it is nothing special.

Have you never thought of quitting--of just letting it go?

"No, never."

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END

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East Europe Report

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NOTE

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MINISTER SPEAKS ON NUCLEAR PLANT CONSTRUCTION FOR CEMA AND CSSR

Prague HOSPODARSKE NOVINY in Czech No 48, 1985 pp 1-7

/Article by Eng Eduard Saul, minister for metallurgy and heavy industry of the CSSR: "We Know Our Responsibility"/

/Text/ The Construction of Nuclear Power Plants

One of the fruitful fields of the Czechoslovak metallurgy and heavy machine industry has traditionally been the power machine industry. In line with the concept of the construction of nuclear power plants as a part of the development of power engineering in all CEMA member countries, our department was given a qualitatively new task--to create the conditions and ensure the production of equipment for nuclear power engineering. In the course of the Sixth and Seventh 5-Year Plans, we built the corresponding production basis for the VVER 440 nuclear power plants and became fully proficient in the manufacture of equipment for them.

For Us and For CEMA

Today, we ensure complete deliveries of secondary technological equipment for Czechoslovak nuclear power plants and for the blocks of the Seventh and Eighth Nord Nuclear Power Plant in the GDR. We also supply the basic supply equipment and special armatures for domestic needs as well as for the CEMA member countries. Thus we fulfill the agreement of the CEMA countries and the Socialist Federal Republic of Yugoslavia on multiple international production specialization and cooperation and mutual deliveries of equipment for nuclear power plants.

We are currently introducing the production of equipment for a new generation of nuclear power plants with the 1000 MW blocks. This mainly involves the reactors, steam generators, 500 J main circulation piping, turbines, and 1000 MW generators and special armatures for the containment layer. The bulk of the production of this equipment is handled largely by the Skoda Pilsen VHJ as the general supplier of the technology and by the Sigma and Vitkovice VHJs. Alongside the new tasks, the participation of other organizations of our department in the production of equipment for nuclear power is being broadened. Preparations are also being made for the manufacture of some new equipment, such as systems for highly effective filtration and ventilation, equipment for removing radioactive waste, various types of pumps, armatures, exchangers and special transformers.

Most of this equipment is of original Czechoslovak construction, and I am pleased to note that this equipment is of a very good technical level.

For example, mention can be made of the ZFA filtering equipment from Vzduchotechnika (Air Technology) in Nove Mesto na Dvahem, designed for multi-level filtration of radioactive aerosols in the ventilation systems of nuclear power plants, or the system of armatures for nuclear power plants from Sigma Modrany.

The K-155-80 calcinator from the Kralovopolske Machine Works in Brno is a progressive item of equipment that is fully comparable with top foreign products, and is an instrument designated for the elimination of fluid radioactive wastes, as well as other products from the organizations in the metallurgy and heavy machine manufacturing fields. A number of other new items of equipment are the subject of the tasks of the State Plan for the Development of Science and Technology. The manufacture of these items is being harmonized with the construction needs of the Temelin nuclear power plant and with future construction of similar nuclear power plants in the CEMA member countries.

Towards the end of the previous 5-year plan, the first two blocks of the V-1 nuclear power plant with light water VVER 440 reactors in Jaslovske Bohunice were built. The Soviet Union supplied the primary portion of these reactors. The secondary part was supplied by manufacturers from the area of metallurgy and heavy machine industry. The system of organization, construction, design and actual construction relied on significant help from the Soviet side, as well as Soviet supply organizations. The significant completion of the two blocks of the V-1 power plant in Jaslovske Bohunice is the result of lengthy joint cooperation with the USSR, while educating project and production specialists and specialists in the maintenance of complex nuclear power plant equipment.

The construction of other blocks for the VVER 440 nuclear power plants with V-213 reactors in Jaslovske Bohunice and in Dukovany began under the previous 5-year plan. On the recommendation of Soviet specialists, the technical concept of the construction as well as the technological part of these nuclear power plants were significantly altered as compared to the V-1 Jaslovske Bohunice plant. Equipment improving the reliability, safety and technical production characteristics of the blocks was added. This concept was accepted by other CEMA member countries, particularly the GDR for the second part of the Nord nuclear power plant, Hungary for Paks, and Poland for Zarnovec.

The unification of the projects for these nuclear power plants brought concrete results, reflected in the unified solution for the primary parts of the main production block, and enabled Czechoslovak machine industry enterprises to take part in production specialization and to export deliveries of decisive equipment. At present, deliveries of reactors and components have been completed for the fifth block of the Nord nuclear power plant, for four blocks in Paks, for two blocks in the V-2 in Jaslovske Bohunice, and for two blocks in Dukovany.

The Czechoslovak heavy machine industry has taken part in the delvieries of many other nonspecialized equipments for the construction of domestic nuclear power plants, which significantly lowered the imports. In this 5-year plan, the manufacturing of products for nuclear power plants will amount to approximately Kcs 13 billion, of which Kcs 4.1 billion will be exported.

In spite of some initial technical difficulties, all deliveries planned for the current 5-year plan will be met in harmony with the construction requirements of nuclear power plants at home as well as abroad, while meeting the demands for production quality and the quality of equipment assembly. A significant share in these results can be attributed to our metallurgical plants and metallurgical secondary production, which introduced the production of demanding types of steel and welding materials; thus, practically all the material needs for the nuclear power plants are met domestically.

Under the previous 5-year plan, the deliveries of our organizations to domestic nuclear power plants represented Kcs 788 million; for exports, the figure was Kcs 2,644 million. As opposed to the previous 5-year plan, in the current 5-year plan the rate of production growth for domestic deliveries is approximately 11-fold and the export index is 1.56. The approximately 12-fold increase in deliveries of equipment for nuclear power plants from our department is also a graphic illustration of our significant cooperation with the Soviet Union and other CEMA member countries.

Mistakes to be Avoided

However, the high dynamics of the equipment deliveries did not manage completely to fulfill the arrangements specified for meeting the deadlines for testing individual blocks in trial runs. This is true for the construction of nuclear power plants in Jaslovske Bohunice and Bukovany. Several times it was necessary to alter existing network construction timetables and correct subsequent deadlines.

Because of the cooperation of all construction participants, the specified deadlines for placing blocks into operation were met for the first time in 1984. The first block of the V-2 nuclear power plant in Jaslovske Bohunice was brought up for a trial run and the first block in Dukovany was prepared for being powered up. This year, in addition to the successful introduction of the first block into a trial run in Dukovany in May 1985, in September, 2 weeks ahead of deadline, conditions were created for making the second block of the V-2 nuclear power plant ready for the trial run.

The work to prepare for actual powering up of the second block in Dukovany towards the end of the year is successfully drawing to a close. Also in Dukovany, the construction organizations agreed to shorten the annual deadline between bringing blocks 3 and 4 up for trial runs (the third block 10 months and fourth block 7 months). Fulfilling this goal would make it possible to have a trial run of the third block in December 1986 and of the fourth in July 1987. Thus the conditions are being created to fulfill Decree No 167/1984 of the Cabinet of the CSSR Government.

In spite of these positive results, I cannot omit the fact that this amounts to meeting altered deadlines. In the construction of nuclear power plants, in the first years of the current 5-year plan there were serious slipups in meeting progress deadlines at both construction sites. Their causes must be eliminated in order that similar problems not recur in the construction of nuclear power plants in the next 5-year plan.

Improved Management and Planning

The factors impeding the steady construction of nuclear power plants were the subject of a more detailed analysis and are enumerated in Decree No 226/1983 of the Cabinet of the CSSR Government. On the basis of this analysis, a new system for monitoring the construction of nuclear power plants was accepted, including a specific designation of the authority and responsibility of all participants in the process, i.e., the investor, general supplier of the construction portion, and general supplier of the technological portion. Another new element is the systemwide approach to the monitoring of the entire construction, at the level of the vice chairman of the CSSR Government as well as that of ministers, the general supplier of technology, etc. The logical outcome of these accepted measures was improvement in the control and planning of this area in our department.

At our ministry, by Decree No 104/1984 of the Cabinet of the CSSR Government, a nuclear power section was established on 1 July 1984. Headed by the deputy minister, its purpose is to ensure the complex production of the equipment and construction of nuclear power plants. Furthermore, we decided to close the general management's delivery section at the Skoda enterprise--the general supplier of the technological portions--and to establish a Skoda power plant construction enterprise. In the course of 1985, construction plants were established at the nuclear power plants in Dukovany, Mochovce, and Temelin and, at the Skoda enterprise, capacities for the construction of nuclear power plants are being increased for export and repair purposes. A further step in improving our participation in the construction of nuclear power plants will be the establishment of an automated control system for all main activities of the general supplier of technology and the construction plants.

The main goal of the measures that we accepted is the complex and quality fulfillment of the function of the general supplier of the technology for Czechoslovak nuclear power plants at all stages of their construction. That means that, during the preproject and project phases, there is cooperation between the general project manager, investor, and general supplier of the construction part of the nuclear power plant. Furthermore, there is cooperation when ensuring and coordinating deliveries from domestic production as well as from imports, in organizing work and deliveries at the construction sites from the various final suppliers, in ensuring assembly of the equipment, and block lowering, including the completion and placement of the constructions into permanent operation within the planned deadlines.

One of the causes of construction delays for nuclear power plants is the complicated preproject and project preparation, caused above all by the insufficient number of qualified specialists for the project. In 1984 it was necessary to get help from project institutes of the department, particularly for the Kralovopolska engineering plant in Brno, and to accept measures to increase the permanent project capacity of the organizations of our department beginning in 1985 by 150 specialists, adding 50 each year until 1990. The increase in the number of specialists in the project phase will satisfy the increased demands resulting from the project planning of the Mochovce and Temelin nuclear power plants and the preparations for the construction of another nuclear power plant after 1985.

In the CSSR, project preparation for nuclear power plants is carried out in close cooperation with the Soviet general project manager. As a result, it proved necessary to adjust some Czechoslovak measures and thus adjust our work to the Soviet principles of projecting work and its division into phases. This is particularly true in the case of effectively dividing functional units into Soviet and Czechoslovak zones in the projection process.

Our department will ensure a multifaceted strengthening of discipline among the general supplier of technology and his final and other suppliers in all given areas of the organizational, technological and project aspects of the construction of nuclear power plants. Ongoing solving of disagreements should not be permitted to be necessary, particularly in the project and supply phase. Therefore, a measure was accepted to improve coordination of work between the general supplier of technology and his final suppliers. To aid this process, regular monthly meetings of the general directors are organized directly at the construction site. Each VHJ designates a specialized director who is responsible for coordinating and fulfilling the tasks associated with the construction of nuclear power plants.

The progress of nuclear power plant construction is regularly discussed at the monthly meetings of ministry heads with the general directors. The performance as regards meeting construction deadlines in the last 2 years justify the conclusion that we will achieve lasting improvement in the management of nuclear plant construction.

The principles of improving the complex performance of the activities of constructing nuclear power plants also demand that the plans for the construction of nuclear power plants be worked out more precisely. We are currently working on measures which would fulfill the goals of this document. The program of the Federal Ministry of Fuel and Energy for placing blocks into operation by 2002 is the basis for the domestic construction of nuclear power plants on the assumption that the necessary development of supplier capacity will be included in the Guidelines for the Preparation of the National Economic Plan for 1986-1990 and that it will include the necessary development of construction efforts for the Ninth 5-Year Plan as well. Here, the emphasis lies on the need to develop the future planning process.

We base this observation on the fact that preparation for the construction of a nuclear power plant demands at least a 15-year lead, since the average time for the construction of a block is 7 to 9 years and its manufacture and assembly require somewhere between 2 and 5 years. These deadlines will be used in the standardization documents prepared, which must be binding on the participants in the construction so that it is possible to plan equipment deliveries consistent with the average manufacturing and assembly time and with the timing of orders from abroad.

Many difficulties arise from the prolonged negotiations and finalization of annual construction programs, particularly because of the differing opinions of the investor and the supply departments about the volume of binding tasks under the State Plan for each individual construction. As a rule, these negotiations are not closed until the halfway mark of the average year. It also may happen that the volume of work and deliveries which the investor is demanding exceeds the volume needed for the fulfillment of all activities and progress deadlines in a given year. In my view, the decisive criterion in determining the annual volume of binding tasks under the state plan should be guaranteeing material fulfillment, progress deadlines and a valid construction process. According to Decree No 37/1983 Sb of the Federal Ministry of Finance on billing and payment for deliveries for capital construction and deliveries of geological works, which requires accounting for work and deliveries subsequent to the delivery of entire units and operational systems to the user, the very volume of the binding tasks of the state plan must be considered as one indicator of fulfillment of the annual task. On this assumption, the negotiations on the necessary volumes of work and deliveries can be carried out in the time frame required, before the closing of the annual plan, and the approved deliveries can be incorporated into the production on time, including the balances of technical supplies.

What Does the Future Hold?

In the 1986 plan, we are looking forward to the completion of the third block of the nuclear power plant in Dukovany and will continue to prepare deliveries for the construction of the first block of the nuclear power plant in Mochovce--particularly the deliveries for the general supplier of the construction, and we will continue to work on the preparation of the initial project for the first two blocks in Temelin. According to our calculations, in the next 5-year plan we should supply nuclear power plants and other construction associated with nuclear power plant equipment worth Kcs 23 billion, while the Federal Ministry of Fuel and Energy will require supplies totaling Kcs 24.075 billion. The discrepancy is the result of heretofore inaccurately estimated construction costs owing to our currently insufficient knowledge of domestic and foreign supply prices, which have not affected current construction. In order to make exact cost estimates, it is necessary inter alia to quickly work up documented prices and approve the standardization documents for the cost estimating of work--price charts.

I do not consider the volume differences to be serious problems, but I do think that one problem is the fact that the need for deliveries and assembly tends to bunch toward the end of the Eighth 5-Year Plan. From a delivery level of Kcs 2.8 billion in 1986, demands will soar by 1989 to more than Kcs 6 billion. Our analysis shows that, according to the demands of the Federal Ministry for Fuel and Energy, the volume of deliveries, totaling Kcs 1.5 billion in 1989 and Kcs 1.9 billion in 1990, cannot be handled with currently available capacity in the field, particularly in the case of assembly. The problem is that project preparation and construction at the nuclear power plant in Mochovce are delayed, raising problems in connection with the work at Temelin toward the end of the Eighth 5-Year Plan and in the 1991-1992 period.

In the next 5-year plan, we are supposed to supply equipment to other socialist countries for nuclear power plants totaling Kcs 8.5 billion, representing deliveries of reactors and turbine systems for two blocks in the GDR, two reactors for Poland, and approximately Kcs 2.7 billion worth of deliveries of special armatures to the USSR, Bulgaria, and the GDR.

Also, in the case of export deliveries of two VVER 1000 reactors to Bulgaria and Romania, problems occur in the unequal distribution of the production because of delays in the preparations of construction in these countries.

In the remaining period for producing nuclear power engineering plants for the next 5-year plan, it will therefore be necessary in all areas to ensure that the manufacturing of equipment is consistently in line with the level reached in the current 5-year plan, which should occur even as if it is necessary to produce items in advance and temporarily to store deliveries for construction projects which have been delayed. In time, it will be necessary to eliminate the capacity disproportions in the assembly volumes of Czechoslovak construction by systematically strengthening the final suppliers.

Goals Set

Power engineering is the basis for the development of national economy of every industrially and socially developed country. We consider the development of nuclear power engineering and of the nuclear machine tool industry associated with it, together with proper rationalization of fuel and energy consumption, to be a decisive factor in fully satisfying fuel and energy needs. Critical evalation of the course of work at the nuclear power presented at the 10th Plenum of the Central Committee of the CPCZ, was positively reflected in the measures taken to speed up construction. There was improvement in fulfillment of deliveries of technological equipment to construction sites, improvement in the work at the construction sites, and a better approach of all workers to the fulfillment of their tasks.

Thanks to a long-term cooperation with the Soviet Union and other CEMA countries, an entirely new field has developed in Czechoslovakia in the last 10 years: nuclear machine engineering. There has been an influx of many young specialists, workers and technologists involved in production, construction, and in research institutes. The provision of 1,760 MW of new resources from nuclear power plants within this 5-year plan puts our country in second place behind the USSR among the CEMA countries.

At the 15th Plenum of the Central Committee of the CPCZ, the general secretary of the Central Committee of the CPCZ, Comrade Gustav Husak, emphasized the higher level already attained under the current 5-year plan and the elaboration of the tasks up to 2000. The need for devising long-term programs for the cooperation with the USSR and other CEMA countries is fully valid for nuclear power engineering as well. Therefore we can only be happy that, together with the Efficiency Council of the CEMA, we have worked up and accepted a program for the construction of nuclear power plants through 2002, which is also the *basis for our further work.*

The tasks set by the 15th Plenum of the Central Committee of the CPCZ deal with improvements in the quality of the style and methods of work and general management in the area of nuclear power engineering. We are all fully responsible for the resources provided for the development of nuclear power engineering and their utilization.

Activities at the nuclear power plants in Jaslovske Bohunice and Dukovany proved that the personnel in production and construction are appreciative of the evaluation they have rightly received from the highest party and state authorities. Using the initiatives of the working groups, the measures for developing socialist competition were deepened, as was the commitment movement honoring the 17th Party Congress, in order to accept joint socialist commitments. I sincerely honor the devoted work of the people in the constuction of nuclear power plants as well as other related works. I am convinced that the experience we have gained at all stages of our work on nuclear power plants will be fully utilized for the timely and proper fulfillment of tasks in the construction of nuclear power plants under the Eighth 5-Year Plan and in the future as well.

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ECONOMIC STRATEGY FOR SECOND HALF OF EIGHTIES ANNOUNCED

Prague PLANOVANE HOSPODARSTVI in Czech No 8, 1985 pp 1-7

[Interview by Engineer Vaclav Vertelar, first deputy chairman of the State Planning Commission: "On the Project of Economic Strategy for the Second Half of the 1980's"]

[Text] The fundamental, lasting goal of our economic policy is to ensure a planned, dynamic development of national economy, which must be based, however, on far more determined and expeditious implementation of our party's strategic program of economic intensification, and on higher efficiency, social productivity and quality of labor. We see the main purpose of this effort primarily in further improvement of our people's living standard, in their greater security of life and social welfare, and in the creation of increasingly favorable conditions for a harmonious human development. Before us loom long-term tasks of shaping and completing the formation of a socialist way of life and at the same time, of enhancing the dynamic effect of our living standard on our economic growth, and on strengthening the socialist principles of reward as one of the basic characteristics of social justice. The qualitative changes in the structure of material and cultural needs of our people impose increasingly high demands on the quality and choice of industrial goods and food, on the standard of operations in trades and services, on transportation and other areas on which our people's satisfaction depends. We must keep improving our housing, health care and education, and increasing social welfare. We must proceed more vigorously with the solution of environmental problems. These directions set the ways which we shall follow and which will find a place of importance among the documents of the 17th Congress.

From the report presented at the 16th session of the CPCZ Central Committee by the general secretary of the CPCZ Central Committee, Comrade Gustav Husak.

The works connected with the preparations for the Eighth 5-Year Plan were organized on the basis of CSSR Government decision No 262/1984 on main directions for the socioeconomic development of the CSSR until 1990 and on the directive for the drafting of the proposal for the Eighth 5-Year Plan on the CSSR's national economic development for 1986-1990. This decision outlined the primary objectives, tasks and schedules from which appropriate administrative agencies will proceed when drafting their proposals for the Eighth 5-Year Plan. The assignment of the directive for the 5-year plan for 1986 provided at the same time an orientation for the preparation of an operational plan for next year. The agencies of the middle management level presented their proposals on 31 March and central agencies on 31 May of this year. It is envisaged that on the basis [of those proposals and in cooperation with the planning commission of the republics, in linkage with the final results of the coordination of the 5-year plans for the next 5-year period with socialist countries, the State Planning Commission will draft a proposal for the Eighth 5-Year Plan at the end of this year.

The experience from the drafting and implementation of the current 5-year plan has underscored the urgency of a goal-oriented method during the period of transition of our economy to intensive development. This is no ephemeral issue. This task cannot be resolved without setting up long-range goals ad objectives for gradual restructuring of our national economy on a qualitative higher R&D level. For that reason the preparations for the next 5-year plan are an integral part of the system stipulated by our government for the process of planning when drafting state plans for the development of national economy and when setting up a long-term socioeconomic strategy.

In our 5-year plans we intend to proceed consistently from the main directions of the socioeconomic development for a 10-year period. These basic directions should be determined on the basis of prognoses for the next 20 years. The first summary prognosis for the socioeconomic development and R&D, according to the approved project, will have a timetable to the year 2010 and will be processed in 1985-1988.

We envisage that the prognoses will contain the formulation of our long-term socioeconomic strategy based on objective laws for comprehensively developed socialist society in specific historical conditions of the CSSR; that they assess the changes in the external and internal conditions for a long-term development, and determine main economic objectives based on the future needs of society. Practical application demands that a comprehensive prognosis, assigned to the Czechoslovak Academy of Sciences, explain and recommend on the basis of science the variations of a long-term stable, dynamic and balanced national economic development. This calls above all for the determination of variants and conditions for high-grade economic intensification, for comprehensive utilization of sources of efficiency in production and of social productivity of labor, based on the linkage of the R&D revolution with the benefits of our socialist administration. We must demand that the prognoses compare not only our socioeconomic standard--the standard of the R&D base and the conditions of production in given time projections--with the foremost world states, but also the ways and means to secure the CSSR's place among those states, first of all, that the CSSR's place and task in world division of labor, particularly in the socialist community, be specified.

Although the above-mentioned prognoses may not be thoroughly and fully applied until the Ninth 5-Year Plan is drafted. the results of the works conducted thus far in this direction are already being fully utilized. This is an important step in interrelating science and research with practical planning.

To Intensify Positive Trends

The preparations for the Eighth 5-Year Plan focus on consolidation and further development of the positive tendencies of the successfully completed Seventh 5-Year Plan and on conceptual objectives and goals set by the 16th CPCZ Congress. The tasks of the Congress and of the Seventh 5-Year Plan followed from the comprehensively assessed new external and internal situation in the late 1970's, giving priority to a gradual restoration of the external and internal balance, to the elimination of disproportions. and to a harmonious development, rather than excessive stress and disproportionate dynamism. For that reason a lower rate of dynamism was planned for the first 2 years (1981-1982), while the target for the second half of the Seventh 5-Year Plan was deliberate reduction of our foreign debt.

After the 16th CPCZ Congress a factor with a long-term effect clearly emerged in the form of the further deterioration of the situation abroad (aggressive policies of the US imperialist circles, the consequences of the "second oil shock " the crisis of the international financial and monetary system, etc) and of the development or continuation of our domestic shortcomings (nonfulfillment of tasks stipulated by the investment plan, poor harvest, etc). It appeared imperative to step up the process of intensification and debt-reduction and at the same time, to continue aiming at the realistic fundamental goal set by the 16th Congress: to maintain the relatively high standard we had achieved, to improve its quality on the basis of our national economic achievements. and to consolidate our people's social welfare. Numerous relevant policies focused primarily at substantial cuts of expensive imports from the capitalist states were adopted. Therefore, some quantitative tasks contained in the law on the Seventh 5-Year Plan (December 1981) and especially in the approved Seventh 5-Year Plan (May 1982) were lower than those set by the 16th CPCZ Congress, particularly in the first two years. Starting in 1983. the plan already foresaw the annual tasks and dynamism set by the Congress.

The concepts and objectives are being fulfilled in the creation of NI as well as in its domestic use. as confirmed by some basic data concerning the tasks and this year's projected actual situation (in percent):

Table 1.

	Growth in 1981-1985 according to		
	the 16th CPCZ Congress	Seventh 5-Year Plan	projected effect for 1985
Gross national product	14-16	9.3	11.0
Gross industrial production	18-20	13.4	14.0
Gross agricultural production	10	5.2	9.3
Consumed NI	3.8	-1.7	1.8
of which:			
Personal consumption	0-3	3.0	5.7
Public consumption	13	12.0	21.6
Investment resources	0	-9.8	-3.1

We have achieved these results while gradually enforcing the strategic line of the CPCZ's economic policies aimed at an intensified development of our economy and at upgrading its efficiency. As compared with the 5-year plan, the drop in the share of material costs in outputs gained the greatest momentum, while relative savings in the consumption of primary resources of fuels and energy and of certain other raw materials and supplies increased. Therefore the results achieved justify the stipulation of even more rigorous tasks for the Eighth 5-Year Plan.

Concepts for the Drafting of the Eighth 5-Year Plan

The crucial point of departure for the drafting of the Eighth 5-Year Plan is the general policy for the building of a developed socialist society, elaborated by the 14th CPCZ Congress and applicable over an extended period.

Accordingly, the primary goal for our national economic development over the next 5-year period is to satisfy our people's material and cultural needs and to provide them social benefits; this will require a number of structural changes stemming mainly from the growing demands on quality, the technical standard and selection of goods in our domestic market, as well as on the expansion of paid and free services. An integral part of the living standard is the solution of the increasingly urgent needs of a good environment, which pose higher demands on the amount of investments as well as on scrupulous compliance with ecological considerations when making decisions on the further development of production, production technologies and the most suitable ways of fulfilling the production and nonproduction needs.

With respect to the development of the foreign and domestic situation and of world economic trends as a result of a rapid R&D advance, the fulfillment of this pivotal goal for the Eighth 5-Year Plan will depend even more on the consistently enforced strategic policy of economic intensification, greater efficiency and better quality of all labor.

Thus, the Eighth 5-Year Plan is a period of comprehensive intensification of production; it applies the achievements of R&D in the process of production and uses the stockpiled inventories as its economic resources, so as to generate a dynamic growth of production by means of greater efficiency, quality and economy. That is the prerequisite for a further rise of our people's living standard, for the continuous process of consolidation of our external balance, and for more dramatic updating of our R&D base, which will produce the required results over an extended period.

From the review of foreign and domestic conditions for our further economic development it followed that in the second half of the 1980's--with greater economic pressures on the application of intensive growth factors--the envisaged annual growth of our gross NI is 3.5 percent, while in the Seventh 5-Year Plan its average annual rate was projected at 2 percent.

The concept of the next 5-year plan concerning accumulation of assets proceeds from the premise that our material consumption in the creation of NI will be relatively conspicuously cut. In view of our limited options for further increases in deliveries of raw materials and fuels for our domestic consumption from imports and from our domestic resources, it is necessary to ensure that the range of relative savings of most basic raw materials per unit of created gross NI be close to the rate of growth of NI and even higher for certain materials. In agreement with that premise it is envisaged that the share of consumption in production of special products may be cut even more drastically than projected for the Seventh 5-Year Plan.

That is a most challenging task, as a comparison with the current year may confirm. Efficiency indicators in this year's plan are far more demanding than in previous years, which may be explained by the fact that this year's tasks in intensification of the economic growth have approached the parameters of the Eighth 5-Year Plan. In a way, this is a test run for the Eighth 5-Year Plan, necessary for a smooth transition to the fulfillment of the challenging tasks for the CSSR's further socioeconomic development. Specifically, it is reflected in the fact that this year, with the same rate of growth of NI as in 1984, i.e., 3.2 percent, our industrial production should be down 1.5 percent (last year's growth down 3.6 percent), and construction programs will be up 0.9 percent (last year 1.9 percent). The share of production consumption in net material products will be cut roughly twice faster than last year and substantially more than in the first years of the Seventh 5-Year Plan.

All analyses of consumption of power and materials, labor productivity, use of capital assets, application of R&D achievements, and others prove beyond any doubt that these tasks are not unrealistic. Our untapped resources of every kind are fundamentally greater and offer opportunities for accelerated intensification in the coming years. The problem is that the management on all levels has not made the necessary breakthrough in thought and especially in practical actions. Most attention is still focused on the amount of production, rather than minimization of cost per unit of production, quality, high technical and economic standards of the goods, their systematic updating, flexible adaptation to foreign and domestic markets, flawless commercial operations, including reliable services and continuous availability of spare parts.

The focus on an intensive national economic development demands that all necessary preconditions be provided for an expeditious introduction of current R&D achievements in the process of production and in our social practice. To that end it is imperative to ensure first of all the greatest possible growth of production based on the application of completed R&D programs, to apply widely noninvestment innovation processes and at the same time, to organize investment projects to update goods and technology, to develop licensing policies, and to encourage the improvement and invention movement and make use of it.

An accelerated dynamism of our economic development calls for the introduction of the most advantageous structural changes, which will enable us gradually to reduce the consumption of materials, energy and investments in production.

In conjunction with the measures adopted already during the Seventh 5-Year Plan, it is envisaged that the growth of production in branches of industry with high consumption of power and materials, particularly metallurgical production, the energy-intensive branches of our chemical industry, and our construction materials industry, further decelerate. In other words, their consumption must be cut as much as possible and their exports gradually tapered off.

Because we must process accessible material inputs to a greater advantage. it is necessary, on the other hand, to expand the share of processing branches, above all, of engineering, especially electronics, in the total volume of our production as well as in total international trade. One of the most important conditions for the development of those branches, however, is above all the task to increase their ability to compete in world markets, which presupposes a higher order of technical and innovating standards of such goods and more flexible services in relation to their exports. Our chemical industry will give priority to the development of less energy-intensive branches of high-grade low-bulk chemical production with higher processing of raw material inputs.

The key task of the branches of light and wood-processing industries and of most other processing branches is to improve the value of manufactured goods on the basis of a considerably increased share of top quality products, fashion novelties and luxury goods, and of corresponding innovations of production programs, as well as the necessary modernization and remodeling of their production base.

In order to speed up the transition of our economy to predominantly intensive development, all the most important factors determining the economic growth must be employed to far greater advantage, which means to introduce realistic methods for a comprehensive, more expeditious reduction in the consumption of power and materials in Czechoslovak economy than thus far, and for more rational exploitation and the highest possible processing of consumed inputs of power, raw materials and supplies.

The preferred focus of capital investment must be on the renewal and modernization of the existing facilities as the main prerequisites for better utilization of capital assets and at the same time, also on expeditious introduction of R&D achievements into production. Programs and construction projects which are characterized by rapid paybacks and maximum efficiency must be given priority and all opportunities for increasing production by means of changes in production programs in underutilized existing facilities must be exploited. Every effort must be made to cut construction schedules even more drastically and to reduce the excessive rate of unfinished construction projects.

The decline in the efficiency of capital assets must be slowed down considerably and efforts must be made in production in general to stop it completely.

Under the conditions of the Czechoslovak economy a conspicuous turn to intensive development is closely connected with the extent to which the CSSR has joined international division of labor, particularly socialist economic integration. In the future the major role here will be played by the development of our economic cooperation with the USSR. Dynamic growth of mutual exchange of goods and services will therefore call above all for further intensification of trade between branches and department subdivisions. Intensively expanded specialization and cooperation will provide advantageous conditions for programs of mass production and improve their efficiency. The development of mutual economic cooperation with the USSR demands that the structure of our production and exports be far more consistently adapted to the needs of [the USSR's] economy and their qualitatively higher standard.

A vital prerequisite for benefits from international division of labor, in relation to socialist as well as nonsocialist countries, continues to be better exportability of our goods, based on particular on a higher technical standard and quality of consumer products, among them above all machinery and equipment as a decisive precondition for their more advantageous price in foreign markets. Appropriate regulations of the territorial thrust of foreign trade, more efficient commercial policies and better economic cooperation and collaboration in production should also contribute toward that end. By the same token, it is envisaged that our trade with the developed countries will be expanded and that we shall import simple finished goods in exchange for our exports of machinery and equipment.

The pivotal goal of our socioeconomic development is to ensure the further growth of our people's living standard and to strengthen their life securities and social welfare. The main directions and the course of its development in accordance with the CPCZ's long-range strategy are focused on the consolidation of the qualitative balance and on the development of methods leading to more distinctively amalgamated interests of the individual with the interests of our society. For that reason it is envisaged that personal consumption will rise. The fulfillment of this goal is predicated on the qualitatively improved structure of our people's consumption, based on increasing availability and a wider choice of technically superior industrial goods and food. At the same time, the structural balance of our domestic market must be strengthened so as to stimulate the growth of substantive involvement.

While our people's public services consumption is rising proportionally--due to better rationalization and economy--most attention is focused on the development of public health care, institutional care for the elderly and disabled, and on education of the classes of children born in high birthrate years.

An essential factor in the further development of our living standard involves the solution of our pressing ecological problems demanding drastic measures for better protection of the environment and water purity, particularly on the basis of new construction projects and remodeling of the existing facilities; obsolescent, ecologically harmful technologies will be replaced with more efficient economic mechanisms.

The tasks for the next stage are challenging, yet inescapable. Without additional resources our living standard cannot be adequately improved, ecological problems cannot be dealt with, and our material-technical base cannot be rebuilt on a qualitatively higher level. These tasks are realistic from the viewpoint of the untapped resources available in our economy--i.e., in the consumption of energy, raw materials and supplies, in the use of capital assets, or the tremendous expertise and skills of our working people. However, they depend on preconditions expeditiously provided for the fulfillment of our demanding tasks and on the utilization of the above-mentioned hidden resources, which means that the tasks of this year's plan must be consistently fulfilled and that a high-quality plan be prepared for 1986, the first year of the Eighth 5-Year Plan.

Thus far a number of serious shortcomings have been pinpointed in the fulfillment of the plan. Qualitative indicators have not been appropriately met; efficiency of production has not improved according to the plan, and individual enterprises and plants continue to deal with their tasks in a haphazard and erratic fashion. Time is being wasted here; decisions must be made and measures adopted to eliminate the shortcomings and to fulfill all planned tasks. Only then the conditions required for next year's tasks will be created, which already constitute an integral part of the challenging concept for the Eighth 5-Year Plan discussed at the 15th session of the CPCZ Central Committee and as emphasized in the report of the general secretary of the CPCZ Central Committee and president of the republic, Gustav Husak.

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APPROACHES TO LONG-TERM STRUCTURAL CHANGES IN ECONOMY VIEWED

Prague PLANOVANE HOSPODARSTVI in Czech No 9, 1985, pp 10-13

[Article by Eng Vaclav Glaser, ScC, State Planning Commission: "Some Approaches to Long-Term Structural Changes of Czechoslovak Economy"]

[Text] The main directions for the economic and social development of the CSSR until 1995 focus considerable attention on a gradual structural transformation of Czechoslovak economy. The period after 1985 is regarded as a stage of a thorough transition from an extensive to an intensive type of social production on the basis of accelerated maximum exploitation of R&D achievements and enforcing of distinctly stepped-up intensification of economy, higher efficiency and better quality of all labor, and greater participation of the CSSR in international division of labor, primarily with the CEMA states and most of all, with the USSR.

The prime objective for the second half of the 1980's is to utilize the relatively extensive accumulated untapped assets on the basis of technical, investment and structural measures prepared in the first half [of the 1980's] and of drastically more economical processes of production. After 1990 the main source of growth will be the results of innovations of goods and technological processes as well the intrastructural changes stemming from far-reaching general penetration of advanced directions of modern R&D achievements (electronization, robotization, biotechnologies) into national economy.

It will be expedient to base the implementation of a dynamic and efficient development on better processing of inputs in economy and on achieving high effects of production on the basis of a higher rate of innocation processes leading to universal convertibility of a relatively limited spectrum of products. The achievement of this long-term objective is further determined by a narrower line of goods with an appropriate focus of the R&D base on a limited scope of problems, and thus, by substantially higher integration in international division of labor, which will permit us to cover a broad range of our import needs with specialized exports.

The solution to the problem of greater economy and better processing should be expressed in a synthetic form as a lower share of consumption in production of net material product, which will decline by 2 points over the 10-year period. The challenge of this task stems not only from the fact that this involves fundamental acceleration of the heretofore development in the Seventh 5-Year Plan, but also from the fact that at the same time the rapid development of foreign and domestic specialization and cooperation in production is emphasized in the processing industry, primarily engineering and electronics; thus far this factor has not quite justifiably affected the increasing consumption in production. In conjunction with the reduced share of consumption in production great demands are made especially to reduce the consumption of energy and metals in national income.

The emphasis on structural changes in the Czechoslovak economy, resulting in more economical consumption, and efficient marketing of Czechoslovak goods in world markets, was also included in the decision of the CSSR Government No 262/84 on "Main Directions," which calls for greater specification of the prospects for the development of individual branches of our industry, aimed mainly on drafting proposals for gradual structural transformation of those branches in favor of a preferential development of those branches in favor of a preferential development of those branches and productions whose requirements of energy, materials and investments are low, and in conjunction phasing out of branches and productions whose characteristics of those criteria are unfavorable, so that, in general, the current line of products be narrowed down.

The demands on such proposals for structural transformation of the branches of our industry have been specified; in the framework of the problems under discussion the central agencies in charge must elaborate and propose solutions to key problems in the structure of production according to the method outlined here below:

--to define the main objectives of the long-term development of branches of industry in relation to the needs of our national economy; to formulate the objectives of the gradually narrowing line of products on the level of branches and branch divisions, based on accelerated integration in international division of labor, which must be accompanied by a focus on R&D capacities, investments and work forces, namely, on those branches and goods where we have optimum conditions for achieving high utility value and general efficiency of production;

--to assess long-term domestic and foreign conditions for the structural development of production, among them stagnation of material and power inputs, a slow growth of investment inputs, and the projected development of the competition and of demands in world markets;

--to specify the methods for more efficient mass production programs (for example, of passenger automobiles, tractors, equipment for nuclear power plants, chemical equipment in engineering, electric engines and cables in electrical engineering industry);

--to assess the potential for increased exports, particularly in relation to the CEMA, methods to determine national economic needs for limited lines of goods (to guarantee a balanced economic development); to recommend main directions for structural integration of the branches into international, primarily socialist, division of labor, with regards to realistic opportunities for adapting the structure of goods offered by the CSSR to the changing demands of the world market;

--to assess preconditions for higher labor productivity from the standpoint of increasing utilization of electronics and robots in processes of production, with regards to the growing sources of work forces in the Eighth and Ninth 5-Year Plans;

--to assess the objectives, tasks and general orientation of the long-term comprehensive programs;

--to specify the problems of modernization of the production base and of better utilization of the increasingly sophisticated machinery inventory by higher use of shift work and by an optimum expansion of the pre-production stages of the R&D base;

--to propose tasks for R&D for structural transformation;

--to provide guidelines for the requirements of other branches of national economy on the basis of the development of the branch's structural profile;

--to make comprehensive assessments of the resulting proposal for the structural profile of individual branches of Czechoslovak industry, the degree to which it covers the needs of our national economy overall as well as according to individual areas (national economic conglomerations and cross sections).

Thus, the proposals for structural transformation of individual branches will provide convincing information about the development--or as the case may be, about the phasing out--of the planning groups and key branches and of the goods produced by a given branch, including the requirement of necessary capital investment justified by the criteria of current and future efficiency of such productions.

The underlying question is whether an adequate space is available for more drastic reductions of the share of consumption in production in net material product and for higher net profitability of Czechoslovak exports in foreign currency--in other words, the difference between profitability of foreign currency and comprehensive import requirements--by means of changes in the structure of production on the level of branches, planning groups, departmental units and departments.

For illustration of one of the options--material consumption in production without depreciations (direct and compounded, i.e., including those incurred in all preceding and subsequent productions) and net profitability of foreign currency were quantified on the basis of interdepartmental accounts for 1982 rendered by 40 departmental units. In particular, departmental units of the processing industry may be compared one with another. Considerable differences between individual departmental units may be graphically documented by inclusion of deviations from average (material) consumption in production and average net profitability of foreign currency for the entire production sphere (whose value may be regarded as 100 percent).

Departmental unit	Consumption in production (material)		Net profitability in foreign currency
	Direct	Compounded	
Products of vegtable origin	81.0	81.3	111.8
Animal products	114.9	127.9	89.9
Forest economy	39.9	39.1	168.0
Solid fuels	83.1	84.2	174.0
Gaseous fuels	88.0	73.3	189.4
Crude oil	36.6	33.9	--
Energy	110.9	101.3	139.1
Ore mining and refining	138.1	129.1	26.2
Ferrous metallurgy products	132.3	230.4	89.7
Nonferrous metal products	123.0	179.1	83.3
Chemical products	123.6	93.0	79.2
Rubber and plastics	108.7	111.6	84.4
Pharmaceutics	100.1	90.1	161.1
Engineering elements and components	98.2	130.5	130.3
Heavy-current engineering products	105.2	110.9	146.4
Electronic goods	81.2	74.6	170.0
Measuring instruments, general tools	91.8	123.3	161.7
Products of automobile industry	108.7	132.1	152.1
Products of transportation engineering	97.5	111.9	146.9
Machinery for processing industry	86.5	106.5	234.2
Machinery for heavy engineering	100.9	128.7	191.3
Machinery for nonproduction use	102.7	120.6	108.3
Assemblies	64.9	78.6	153.9
Construction materials	95.8	92.4	135.4
Products of wood-processing industry	103.9	98.2	117.2
Paper and cellulose	116.0	123.6	90.4
Glass, porcelain and ceramics	81.9	74.1	143.6
Textile goods	114.1	115.9	81.8
Garment industry goods	96.7	110.2	71.4
Leather goods	108.2	116.2	133.5
Typography	83.3	83.9	109.5
Slaughter and meat products	140.5	180.3	63.9
Dairy products	139.3	163.8	53.9
Alcoholic beverages	112.3	115.0	118.7
Other alcoholic products	127.7	135.0	69.4
Industrial fodders	137.8	125.8	--
Other products	70.6	73.2	126.2
Construction industry	82.7	92.9	149.3
Transportation and communications	45.3	44.0	137.8
Financial branches	37.1	26.0	--

The data presented in Table 1 unambiguously prove considerable variability in the requirements of consumption in production (materials) as well as net profitability of foreign currency among individual departmental units of the production sphere, with relatively distinctive indirect dependence of both those criteria. So long as in the post-1985 period structural shifts--for example, within the industry in favor of electronic products, machinery for the processing industry, pharmaceutics, glass, porcelain and ceramics--may be technically and economically identified, assessed from the viewpoint of markets and implemented, and concurrently, the share of productions with high material consumption, such as ferrous and nonferrous metallurgy, may be reduced, the changes in their sum total should be expressed in a smaller share of consumption in production in net material production and in substantially higher profitability of exports in foreign currency.

Similar possibilities exist in individual departmental units due to sizeable difference between individual departments in characteristics of material consumption and net profitability of foreign currency. As for chemical products, some departments of chemical specialties, such as organic dyes and pigments, textile and leather-processing products and pure chemicals, have relatively low values of said characteristics.

Among machinery units and components, primarily hydraulic units and equipment, pneumatic units and equipment and transformer equipment have consumption of materials and high profitability in foreign currency. According to those criteria, the most advantageous among electronic products are semiconductor elements, microelectronic conjugate circuits, electronic measuring instruments, scientific and laboratory equipment, automatic regulation and control equipment, equipment for reproduction, and automatic control systems for processes of production. Among machinery for processing industry industrial robots and manipulators, processing machinery, machinery and equipment for glass, textile, leather-processing and typographic industries, particularly machinery and equipment for engineering production, have the lowest material consumption and the highest net profitability of foreign currency; machinery and equipment for processing of rubber and plastics require low material inputs. In the same manner the internal structure of other departmental units may be assessed with the application of inter-departmental accounts for 1982.

In general it may be said that a space exists in the departmental structure of Czechoslovak economy, especially in processing industry, for progressive structural changes with a positive impact on reducing the share of consumption in production and on more lucrative foreign economic relations. Among the obstacles to an accelerated development of departmental units and departments with favorable values of those characteristics are--in addition to problems with phasing out of inefficient departments which are drawing off excessive material, power and investment inputs--particularly the difficulties in marketing of our goods in foreign markets. This seemingly paradoxical situation stems from the fact that in world markets of advanced products we encounter competition of the most developed countries which come there with goods of excellent quality and of high technical parameters. The only long-term solution to this situation may be the focus on holding our place in this market by offering a more limited, specialized line of goods of top standards. The shift to the less demanding lines of production would make it impossible to achieve the challenging aims of foreign and domestic efficiency contained in the basic directions for the CSSR's economic and social development.

Practical implementation of structural changes goes hand in hand with the application of the goal-oriented approach. Systems of state goal-oriented programs and state R&D programs represent the essential mechanism for an efficient gradual structural transformation of the Czechoslovak economy.

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NEW FINANCIAL RULES FOR EIGHTH 5-YEAR PLAN PUBLISHED

Prague HOSPODARSKE NOVINY in Czech No 50, 1985 p 5

[Article by Eng Stanislav Sourek, deputy minister of finance of the CSSR: "Khozraschet Characteristics Emphasized"]

[Text] In the supplement to this issue we publish the full text of two amended financial regulations applicable as of 1 January 1986. The author of this article describes the main changes that will be implemented on the basis of these (and other) regulations in the financial management of the VHJ's [economic production units] and enterprises during the Eighth 5-Year Plan.

The development of the financial management system continues, while its efficiency is improved by further intensification of its khozraschet characteristics. The new financial regulations which proceed from this basic approach involve adjustments in the financial management system of the VHJ's and enterprises in the Eighth 5-Year Plan, namely:

-- partial amendment to CSSR governmental decree No 161/1980 of the Collection of Laws on financial management of the VHJ's and enterprises (published in the supplement);

-- partial amendment to announcement No 162/1980 of the Collection on financing replacement of capital assets (published in the supplement);

-- new announcement on financing of current assets;

-- new announcement on financing of non-investment expenditures for R&D (No 118/1984 of the Collection, issued previously and applicable already as of 1 January 1985, published in the supplement to HOSPODARSKE NOVINY No 49, 1984).

The actual impact of the financial plans on all levels of management on other parts of the plan is of vital importance both from the standpoint of the financing of basic needs of the VHJ's and enterprises and from the standpoint of the planning of the accumulation of financial assets (especially profits). Nevertheless, ample untapped resources still exist in these relations. For the future it will be imperative for the financial plan to include in the accumulation of assets consistently, for example, R&D contributions, better exploitation of capital assets, new investments, efficient management of inventories, reduction of administrative costs, and achievements of foreign trade.

Payment of Depreciations

The weight and thus, also the importance of disposable profits as the source for the financing of the needs and demands from the material incentive system of the VHJ's and enterprises have been upgraded in financial resources for the Eighth 5-Year Plan. Furthermore, the merger of economic results from our domestic economy and from foreign trade increased the significance of profits.

The system of payments to the state budget remains unchanged, however; as of 1 January 1986 payment of depreciations of capital assets to the state budget will be introduced in most industrial and construction branches; it amounts to 40 percent of their creation. This payment of depreciations is based on the need to balance in the next 5-year plan the assets and the needs of the enterprise sphere, and to increase the share of products in the structure of resources designated for the financing of the needs of the VHJ's and enterprises. An important reason for the payment of this part of depreciations is higher than corresponds to actual obsolescence of capital assets. The standards of depreciation, according to which depreciations are calculated, are based on the double-shift use of capital assets, while the actual use of capital assets is more than one-third lower. It is therefore fully justified to redistribute a part of depreciations through the state budget.

Another factor which raises the demands of the financial management system in the Eighth 5-Year Plan is the application--or further consolidation--of the khozraschet character of practically every fund of the VHJ's and enterprises, which means in particular the introduction of the investment fund created mainly from the earnings retained by the VHJ's and enterprises according to norms, instead of the current two funds--the development fund and the construction fund--and furthermore, a change in the character of the creation and use of the R&D fund and the working capital, and adjustments in the creation and use of the contingency fund of the VHJ's. Practically all remaining funds of the VHJ's and enterprises are transferable semiannually.

Prudent Centralization

One of the most significant changes involves the measure aimed at higher efficiency of the financial management system on the VHJ and enterprise level. The financial management of the enterprises follows the generally valid regulations and the VHJ statute. Enterprises show profits, render accounts and use the profits they have created to finance their needs. They pay their profits to their superior VHJ according to a financial plan. It is not advisable to change these methods, or the responsibility of the enterprises for the funds to cover their needs, and thus, also their interest in the accumulation of financial resources would be diminished. The khozraschet and financial systems applicable within the VHJ's must proceed from these points of view.

Reviews of the implementation of the Set of Measures have demonstrated that certain negative traits appear in financial relations of the VHJ's and enterprises and weaken the interest of the enterprises in khozraschet. In a number of cases financial assets of enterprises have been excessively centralized on the level of the VHJ and then redistributed back to the enterprises, even when the enterprise had the right to make their decisions concerning, for instance, investments, R&D and inventories. In essence, this separates the financial management from the material management.

The financial management in the Eighth 5-Year Plan will be arranged in a differentiated way according to specific conditions of the VHJ's. The degree to which the financial management of the VHJ is centralized must correspond with the integration and centralization of the material management on the VHJ level. The superior central agency will assess the level of centralization and reflect it in the statute of the VHJ. Within the VHJ better financial results of the khozraschet of the enterprises unconditionally demands that the VHJ leave part of the earned profits to the enterprises to cover their planned needs, and that they adjust the extent of the creation and use of funds within the VHJ in accordance with realistic conditions for the centralization or decentralization of managing functions within the VHJ.

Investments and Inventories

Efficient replacement of capital assets and the development of inventories are still plagued by chronic shortcomings. Therefore, in the Eighth 5-Year Plan the financial management system enhances the khozraschet responsibility of the VHJ's and enterprises in these sectors as well. By means of the investment fund established according to a standard rule, the khozraschet linkage of assets and needs is reflected in the financing of all investments. Certain advantages are offered to the financing of large construction projects (above Kcs 20 million). In the same way, the method of creation of investment funds will be differentiated according to specific conditions of individual branches, and the objective in all key branches will be a fund established according to a standard rule from profits and depreciations of capital assets. Naturally, bank credits will be granted for investments, and in case of subsidized construction projects, the subsidies from the state budget will be granted to the investment fund according to valid principles based on the urgency of their application. A stipulation makes possible above-standard allotments to the investment fund (from higher profits and from the export incentive fund).

The new amendment of financial replacement of capital assets is characterized mainly by further preferential considerations in the financing of modernization programs during repairs of capital assets within certain stipulated frameworks. This form of support to modernization programs, tested and confirmed by many years of practice, has been recently further expanded; however, it must be based on a higher share of modernization and reconstruction programs in total investments financed from the investment fund to the detriment of new investment programs, especially construction projects.

Furthermore, the responsibility of the enterprises (VHJ's) for the development of inventories in the Eighth 5-Year Plan has been intensified. First of all, the tasks of the earnings retained by organizations in the financing of their inventories has been expanded. At the year's end organizations must cover their above-plan inventories with an allotment from the profits to their working capital, namely, in an amount equal to the share of their working capital in their inventories. Analogically, both in the plan and in reality inventories for which banks refused credit must be financed from profits.

Higher allotments to working capital in an organization may affect the opportunity to use the earnings as monetary incentives (in the cultural and social services fund and in the special compensation fund), to finance investments and R&D, and to set aside surplus in the contingency fund. It is therefore presumed that this measure will curtail the disproportional growth of stockpiles and instead, lead to their reduction. If the stockpiles are reduced below their planned amount, the organization can transfer part of its working capital and distribute the earnings for the financing of its needs (investments, R&D, contingency fund, and economic incentives).

Research and Development

The purpose of the amendments on R&D financing in the Eighth 5-Year Plan (applicable ahead of schedule already in 1985) is to help accelerate the entire R&D process, including the application of its achievements, and render it more effective. The khozraschet accountability on the part of the VHJ's and enterprises for the financing of R&D programs, their results and implementation in this area is transferred to a greater extent to the VHJ's and enterprises, so that financing depends mainly on those VHJ's and enterprises that will utilize the results of R&D. A major role is played here by R&D funds established in the VHJ's and enterprises in accordance with who will implement R&D achievements. R&D funds are derived from costs on the basis of long-term standards stipulating the conditions for operations and schedule for the R&D program within the authority of those who will implement R&D achievements. All remainders of such funds may be transferred without any restrictions from one year to another.

The resources for the R&D fund may be supplemented from the earnings of the organization according to its decision. Investments in the solution of tasks and under certain conditions, also investments caused by the introduction of new technology into production, may be financed from the R&D fund, naturally, provided that the organization has created adequate resources in the fund (for example, by more economical solutions of tasks, by sales of capital goods output to other organizations).

An essential part of the outlays for R&D will continue to be financed from the state budget. However, this kind of financing will be more restricted and linked to the fulfillment of the prescribed parameters and timetables.

The whole amendment puts special emphasis on economic contributions of R&D reflected in the financial plan and on their evaluation based on factor analyses of increments in profits. Continuous linkage of investments with resolved R&D tasks in the fulfillment of their outputs remains one of the key issues. The internally coordinated plan and the use of investment funds of the VHJ's and enterprises must contribute toward that end. Experimental reviews of the so called innovation fund, from which both non-investment and investment needs of the entire R&D cycle will be financed, are planned for the Eighth 5-Year Plan.

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BANK ANALYSIS OF INVESTMENTS SHOWS PROBLEMS

Prague HOSPODARSKE NOVINY in Czech No 48, 1985 p 4

/Article by Eng Vaclav Krauz, State Bank of Czechoslovakia, Principal Institute for the CSR: "Results of Bank Analysis of Investments: Little Reason for Joy"/

/Text/ The principal institute for the CSR, the State Bank of Czechoslovakia, this year analyzed the utilization of capital assets and the drawing up of capital investment plans for 1986, this in order to evaluate the extent to which the suggestions of enterprises and of CSR Government departments correspond to the guidelines for the Eighth 5-Year Plan. This analysis showed that some partial positive tendencies are developing. For example, there is an increase in renovation and modernization construction as well as construction aimed at environmental protection. However, the overall evaluation does not show the necessary conversion to a more effective investment process.

In the Seventh 5-Year Plan, the extensive growth of capital assets continued while the dynamics of production were relatively lower, leading mainly to a further decline in the effectiveness of capital assets.

Effectiveness of Capital Assets in the CSR in 1984 (1980 = 100)

	Share of adjusted actual output in the average condition of machinery and equipment	Shift-work rate
Chemical industry	111.3	99.3
Wood processing industry	90.9	100.5
Construction materials industry	78.0	99.5
Food industry	95.1	99.9
Health services	102.3	99.5

Utilization of Existing Capacity

There has been a great decrease in the utilization of machinery and equipment, principally in the construction materials industry. On the other hand, the utilization of capital assets in the chemical industry, and to some extent in health services as well, has increased.

When evaluating the time utilization of capital assets, the situation is not much better. The traditional indicator is the shift-work rate coefficient, which gives the total number of days worked by workers in three shifts in comparison to the number of days worked in the first work shift. The development of the shift-work rate in individual fields shows that there has been some success in stopping the decline in the rate, but not in all fields. At present, the highest shift-work rate coefficient (for a given type of production) is in the chemical industry (1.393). In other fields it falls below the value of 1.3.

Furthermore, the average age of machinery and equipment in individual fields has generally increased. In all fields, there is an increase in the amount of machinery and equipment totally out of commission (currently 24.5 percent) and a decrease in the rate of liquidation of old machines (under 2 percent).

The above analysis shows that it is necessary to implement the aims of the guidelines of the Eighth 5-Year Plan, i.e., to emphasize that further growth in the production sphere must be accomplished at a lower demand for investment and with an increased utilization of existing capital assets. It is necessary to invest primarily in the renovation, reconstruction and modernization of capital assets and to increase the share of machines in the total volume of investment.

In this connection, we are preparing new regulations for the Eighth 5-Year Plan which are in harmony with the goal to strengthen credit lines and to impose sanctions based on the utilization of capital assets. In cases where there is insufficient utilization of capital assets, we will curtail demands for new credit and require early repayment of credit (including credit sanctions).

However, the underutilization of capital assets represents a broad problem which is closely connected with the overall system of managing and planning capital investment.

Building Construction Projects

In August of this year, the Czech Planning Commission, in cooperation with the Czech Commission for Scientific and Technology and the Development of Investment and Banking, checked the preparedness and effectiveness for major centralized construction proposed for starts during the 1986-1990 period. The aim of this check was to verify where buildings scheduled to be started in 1986 are properly planned. As it turned out, in principle for CSSR Government institution buildings, the preliminary projects had to be approved by 31 July 1985 and required 5 months to a year of initial construction.

The checking involved construction projects for 111 buildings, of which only 61.2 percent had met the conditions encompassed in the construction investment plans. The lowest degree of completion was found in the housing construction sector (40 percent).

In addition to this, the bank verified project readiness in all construction costing more than Kcs 10 million (planned starts in 1986). The results show that, in comparison to previous years, there are no positive changes in project readiness. Of the total of 308 construction projects, 75 percent have completed the project stage. Aside from housing construction, there is also below average performance in the areas of the Ministry of Industry, the Ministry of Health Services and the Ministry of Construction. In contrast to this is construction in, for example, the area of the Ministry of Agriculture and Nutrition (86 percent of the buildings).

The main reason for the delayed completion of projects lies in the preproject preparation, and is the result of unclear concepts of the investors. Not uncommonly, the project tasks are done over a number of times because of changes in the technical designs of the construction and changes in the supply system. The extremely varied conditions in project preparation show that these problems can be influenced by responsible work concepts on the part of enterprises, economic production units and ministerial departments.

Nonproduction Sphere

The domestic and external conditions of past and present economic growth limit the extent and the orientation of capital investment. Capital investment can continue to solve only the most pressing needs of the national economy. Among these, without doubt, are construction in the nonproduction sphere, particularly for environmental protection purposes. However, even in this area the need for effective capital investment must be met.

What knowledge have we gained from the preparations for the 1986 Plan and its status in September of this year?

The demands of key investors surpass the investment capacity, which is particularly true in the case of the national committees, the Ministry of Health Services, and industry. In practically all fields there are a few smaller constructions with budgets of up to Kcs 10 million, except in the agricultural field where approximately 35 percent of investments will be small in scale.

The proposals for investment actions for 1986 have left much more room for reconstruction and modernization than was the case under the Seventh 5-Year Plan. Reconstruction and modernization account for more than half of the 308 investment actions (53 percent). In most cases, however, just general renovation is planned; it is not a matter of so-called progressive modernization and a quick return action.

Of the 308 investment actions, 133 (or 43.2 percent) are in production construction. This figure is higher than under the Seventh 5-Year Plan, and it includes more construction focused on environmental protection.

* * *

In the 1986 plan proposal stage, the bank is taking a negative stand mainly in the case of those constructions which are insufficiently prepared in terms of projects and deliveries, or those that have a low effectiveness. In the area of the Ministry of Agriculture and Nutrition, it opposed, for example, the completion of the construction of a specialized plant for keeping milk cows in the Bitov cooperative (because of its low effectiveness), while in the area of the Ministry of Construction this involved the modernization of the sorting plant in Lulec. In some other cases, the bank refused credit for construction.

Therefore, with our participation, we are trying to exert a positive influence on the selection of constructions. However, the decisive role is played by the central authorities of investors. Good quality planning involves improving the preparation of investors and, above all, increasing concept preparation in the work of the investors.

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OFFICIALS QUIZZED ON ASPECTS OF ECONOMY

Budapest OTLET in Hungarian No 51-52, 20 Dec 85 pp 8-11

[Round-robin interview with Zsigmond Jarai (department head at the State Development Bank), Rezso Nyers (scientific consultant to the Economic Sciences Institute of the Hungarian Academy of Sciences), Sandor Gaspar, chairman of the National Trade Union Council), Albert Racz (chairman of the State Offices of Wages and Labor Affairs), Jozsef Drecin (state secretary at the Ministry of Culture and Education), Albert Kreszan (director of the Public Buildings Construction Enterprise), Imre Szabo (state secretary at the Ministry of Industry), Antal Zibar (director of the Wool and Textile Raw Materials Trading Enterprise), Ferenc Petrik (deputy minister of justice) and Miklos Pulai (deputy chairman of the National Planning Office); date and place not given; first paragraph is OTLET introduction]

[Text] I ask a question of someone, and then he gets to ask a question of someone else, and so on. Once the process has been started, the reporter acts merely as a messenger. Questions and answers, and then more questions and answers. There is only one rule: the questions must concern the economy, in accordance with our field of specialization. This round-robin could go on endlessly. Regardless of its field of specialization, however, our journal is not made of rubber. Therefore we request our readers to be satisfied with 10 questions and as many answers in this issue. We will continue the round-robin next year when Miklos Pulai, as the last interviewee in this issue, will have the right to ask the first question.

OTLET's question of Zsigmond Jarai, department head of the State Development Bank: Do bonds make for a better world?

Zsigmond Jarai: Yes, they do. In two respects. First, the enterprises have an opportunity to raise cash, which is no small thing today when money is scarce. They do not have to wait for a solution from above, from heaven. And it is no more trouble for an enterprise to float a bond than, say, to apply for and obtain a loan. Indirectly, then, bonds help to broaden the enterprises' autonomy. The second effect is of the same nature, but from the viewpoint of the citizen rather than of the enterprise. By buying a bond, a person casts a vote of confidence in a business. This presupposes that he first seeks information, weighs it, and then decides to take a risk, to become an entrepreneur. This makes for sound business sense, which is what is required in the case of small businesses as well. And something else. The bondholder, especially in the case of bonds bearing interest at a variable rate, exercises a kind of social control over the enterprise. Incidentally, the public so far has bought about two billion forints' worth of bonds. This also indicates that personal savings are on the rise. Considering all this jointly, I may safely say that Yes, bonds do make for a better world in Hungary.

[Question] My question of Rezso Nyers is as follows: Is this how he imagined the 1968 economic reform?

Rezso Nyers, scientific consultant of the Economic Sciences Institute of the Hungarian Academy of Sciences: This way in many respects, but differently in some others. I thought that the direction and essence of the implemented changes would be like this or similar, but I did expect smoother progress. I hoped that the reform process would not grind to a halt, and that we would go farther by the mid-1980's than we have. Our present problems can hardly be attributed to necessity beyond our control. In retrospect they support the view that the future in its concreteness does not lend itself to planning, and only the trends can be foreseen over a long horizon. Regarding many of the specifics, the song is right which claims: "You cannot guess the future."

Of our 1968 expectations, I regard the following as realized or in the process of being realized:

--National economic and enterprise planning has undergone favorable changes. There is less red tape in planning, and yet we have a more effective tool with which to democratically influence the social processes.

--The consumer market has changed in the population's favor. Essentially it is no longer a sellers' market, although the vigorous expansion of supply has been arrested in the 1980's, and there are temporary shortages of certain items.

--Development of the agricultural sphere and the incentives for it have basically proven suitable. Under the existing economic mechanism, the spheres of energy, transportation, and services are able to fulfill well--sometimes even under unfavorable financial conditions--their function of providing the basis for macroeconomic capital replacement.

--Institutionalization of a multisectoral economy has been favorable in that supply is improving, and also material resources (labor, capital and human capital) are participating more fully in the process of capital replacement.

--The population's economic thinking has developed and become more intensive. Economic information is more frank and provides more knowledge. Thus the human factors of economic democracy are much better ensured now than previously.

And were I to list what I imagined differently 18 years ago, I would include the following:

--Neither the economic mechanism nor the so-called "economic environment" has reached the critical level of development in which it stimulates entrepreneurship at the enterprises to the extent now required (the requirements today are far more rigorous than they were in 1968). For although the enterprises' scope of action is wide by law, in practice state regulation limits it excessively.

--Manufacturing industry's export denominated in hard currency is expanding only slowly in the 1980's, in conjunction with the slow changes in the production structure, and with the uneven and overall unsatisfactory progress of technical development.

--Too much of our production is of low efficiency, there is barely any disinvestment in the economy, and little capital is freed for new ventures. This perpetuates the danger that the enterprises whose efficiency is low will "eat up," in the form of various subsidies, the profits of the efficient enterprises.

--In 1968, I hoped that we would be able to clarify within a relatively short time the situation regarding the socialist scale of values for the intensive period, and to bind it with strong links to the process of economic reform. However, this hope has been realized only partially; and it is not an exaggeration to say that we are urging intensive development, while thinking is still dominated partially by the extensive period's scale of values.

My opinion may be summed up as follows: It would be useless to lament that things have not turned out entirely the way we expected and would have liked them to turn out. What we must strive for is to change our lot for the better as soon as possible, by solving our present problems.

[Question] My question addressed to Sandor Gaspar is as follows: Can the considerable creative force generated in the enterprise workers' business partnerships be utilized in the trade-union movement, or should such partnerships be regarded as a method foreign to the movement?

Sandor Gaspar, chairman of the National Trade Union Council: Enterprise workers' business partnerships are not a method foreign to the trade-union movement. Were this method foreign, we would not have introduced it. The trade union clearly understands and recognizes the usefullness of enterprise workers' business partnerships. There is a real need for them, they are filling a gap, and hence are producing value. This justifies their existence. There is of course silt also here, forms that do not serve the intended purpose, just as in the case of anything new. In some places these partnerships serve merely to supplement the workers' pay. But since the partnerships perform their work at the plant, the factory collective oversees their operations as well. The task now is to eliminate the perfunctory elements and strengthen the useful activity. The performances of the enterprise workers' business partnerships simultaneously call attention to the shortcomings in production engineering and industrial engineering. It would be desirable to utilize also this experience in the activity of the enterprises.

[Question] My question is addressed to Albert Racz, chairman of the ABMH [State Office of Wages and Labor Affairs], and reads as follows: Are statistics more accurate than the present ones being compiled on the labor force? Would it be possible to manage manpower more efficiently, and is there any plan to do so?

Albert Racz, chairman of the State Office of Wages and Labor Affairs: Labor statistics in Hungary is proceeding at present in two directions. In my opinion, the overall accuracy of the statistics on the number of persons gainfully employed, their structure, and the changes in them, is satisfactory. On the other hand, however, the pictures we obtain of the occupational and territorial structures are admittedly inaccurate. The other direction in labor statistics investigates the relationship between manpower demand and supply. This is the third year that we are compiling such statistics in Hungary. We have monthly reports from 109 cities and districts. From these data we see the trends rather clearly. Employers at present are seeking help to fill 60,000 vacancies nationwide, and there are approximately 4,000 to 5,000 persons unable to find employment. We have at present five or six cities in each of which a significant number of persons (over 100) are experiencing difficulties in finding employment. So far as the second part of your question is concerned, manpower could be managed more efficiently. Increased effort in this direction has been noticeable during the past two years at the level of macroeconomic management. Businesses, too, are showing signs of such effort, but of course only within the limits of the possibilities that the system of regulation permits. Further efforts will require also more aid from central resources. To alleviate, for example, the problem of unemployment in the lagging districts.

[Question] I would like to know from Jozsef Drecin, state secretary at the Ministry of Culture and Education, his views on the question of labor discipline and labor morale in education.

Jozsef Drecin, state secretary at the Ministry of Culture and Education: I see no difference between education and the entire country.

[Question] My question is addressed to Albert Kreszan, director of the Public Buildings Construction Enterprise, and reads as follows: When will we live to see that the roofs over our heads are not leaking?

Albert Kreszan, director of the Public Buildings Construction Enterprise: I believe that Comrade Drecin has in mind primarily leaks in buildings with flat roofs. When there are leaks in roofs of the other main type (gable of hipped roofs, covered with slate of burnt clay tiles), they can be repaired more simply and at substantially smaller cost that the leaks in flat roofs.

In response to your question, I am able to say definitely that our enterprise delivers each flat roof in waterproof condition. For we hold a so-called flooding test when the roof is in place and sealed, and we offer the customer for acceptance only a roof that is free of defects.

On average we deliver 25 buildings a year to our customers. And, in spite of what I have just said, we get about five warranty claims because of leaking roofs. What is the explanation of this contradiction? Let us start out from the criteria of a good roof: good design, good workmanship, and constant maintenance to protect the waterproofing and prevent damage. If any one of these criteria is not fulfilled 100 percent, the roof will leak. The fact remains that, in about half of the aforementioned five warranty claims a year due to leaking roofs, the leaks are caused by the architect's failure to properly design the junctions or seams, and by concealed defects resulting from poor workmanship. In the other half of the warranty claims, however, the leaks can be attributed to improper use (the building's owner uses the roof for various operations, or he lets his workers walk on a roof that is not designed for walking), and to the complete absence of maintenance.

Our objective is to completely eliminate by the end of the 7th Five-Year Plan the roof leaks due to faulty design and poor workmanship. But we have no control over roof leaks caused by faulty maintenance.

Incidentally, this problem is a worldwide one. During my study tours in the FRG, Austria and Finnland, I was told that they, too, have problems with leaks in flat roofs, for the same reasons as in Hungary. This of course offers us no consolation, or perhaps only the consolation that we meet the "world level" also in this respect.

[Question] My question is addressed to Imre Szabo, state secretary at the Ministry of Industry and reads as follows: The construction industry is being forced to compete but is unable to do so with its long completion dates, because industry is able to supply special-purpose materials (pumps, fans, electric water heaters) only with a lead time of 1.5 years. When will industry make real competition in the construction industry possible?

Imre Szabo, state secretary at the Ministry of Industry: The construction industry does indeed build a substantial volume of industrial goods and semifinished products into apartment buildings and other structures, which occasionally may be specifically industrial buildings. Therefore it is in the ministry's interest to supply the demand as fully as possible. However, the ministry does not and cannot produce everything.

In the interest of keeping pace with the rapid changes in the proportions of public and cooperative housing construction, the Ministry of Industry and the Ministry of Construction and Urban Development are holding regular consultations to coordinate the construction industry's requirements with the industrial enterprises' capacities and willingness to produce. We are adopting production-organizing measures, respectively offering incentives, to alleviate or eliminate the shortages.

In the question addressed to me, the director of a construction-industry enterprise lists several products for the building industry as shortage items:

--The supply of electric water heaters has not been always adequate. In the course of reconciling the market allocations for 1986, the EVM [Ministry of Construction and Urban Development] estimated its requirement at 8,000 electric water heaters, but enterprise plans call for producing only 7,000 units. The EVM has adopted measures to resolve this shortage.

--Shortages of pumps and fans have not been reported by the enterprises, nor at the level of the EVM.

--In addition to the items listed in the question, also other products are in short supply. Such as radiators, electric ranges and pipe fittings, for example. We are initiating new investments to expand production capacity.

--There are also products (such as wire for gas-shielded welding, and steel pipe, for example) whose demand can be supplied only through supplementary import, because their domestic production is inadequate.

In addition to the efforts of industry, I believe that stockpiling trade will have to assume a greater role in the future in ensuring the construction industry's supply. Because production is continual, whereas construction is a seasonal activity.

[Question] My question is addressed to Antal Zibar, director of the Wool and Textile Raw Materials Trading Enterprise, and reads as follows: The dynamic growth of sheep farming and wool production came to a halt in 1983. Indeed, the sheep population has declined sharply since then, and consequently so has the quantity of wool produced. How do you regard the prospects of sheep farming and wool production? Will it be possible to turn around the decline evident in the supply of this important domestic basic material?

Antal Zibar, director of the Wool and Textile Raw Materials Trading Enterprise: The cost level of sheep farming exceeds the combined total proceeds from the sale of all its products. Thus this branch of livestock production has become unprofitable. Some of the farms are attempting to limit the loss by reducing the size of their herds. The farms neglected to cull and replace many of their old ewes whose wool yield is low. All the offspring are being sold for slaughter. And a period of development more than a decade long has ended!

Comprehensive measures are needed once again to restore the willingness to engage in sheep farming. To the best of its ability, the state budget will have to aid sheep farming. In my opinion, however, also the sheep farms will have to uncover their reserves, which are not so deeply hidden anyhow. It will perhaps suffice to mention the most important reserves: the average lambing ratio is low; the wool yield is small, and its composition by grades is worse than what would be possible, etc.

I am convinced that, if comprehensive measures are adopted soon, Hungarian sheep farming and wool prodction will weather their present difficult phase and will aid the realization of our national economic objectives with results more significant than up to now. The Wool and Textile Raw Materials Trading Enterprise will do everything in its power to aid these efforts.

[Question] I would like to ask Deputy Justice Minister Ferenc Petrik the following question: When will the gaps in the statutory regulation of the enterprise councils' operation be filled?

Ferenc Petrik, deputy minister of justice: I would like to turn around and ask: Are there any gaps? But I realize that such a question would be out of order. All I can say, therefore, is this: Believe me, not every alleged gap in statutory regulation is really a gap. It is not a gap when the statute sets only the limits of enterprise behavior, and within these limits--in this gap, if you wish--the enterprise is free to do what it wants. Regulation is likewise not incomplete when a provision does not take over from the addressee of the statute the right and responsibility to decide some question. It would be very peculiar if, under self-management, the statute were to provide a prescription for every imaginable question, instead of letting the enterprise itself provide the answers.

Some people have objected, for example, that the statute does not specify who is to elaborate and present to the enterprise council the matters that fall within its authority. True, there is indeed no such provision. But would it help the enterprise's operation if the statute were to state that every matter should be elaborated and presented by the person who is the most familiar with the given matter at the enterprise? And does this "gap in statutory regulation" really create a problem?

Of course, the statute is not flawless. We, too, have accumulated several issues that will require amending the provisions. Merely as an example: Why can't a business organization whose enterprise council is the general manager, elect also a control committee? Or another example: The statute specifies that two-thirds of the workers entitled to vote must be present to elect their representatives to the enterprise council. But how are the workers to exercise this right at an enterprise where the peculiarities of its operation make it difficult to hold a meeting for the election of delegates at one place and at the same time (in retail trade, catering or the hotel industry, for example)? Neither do we regard as adequate the legal protection of the enterprise council's chairman. Namely, experience indicates that in most cases the enterprise council elects its chairman from among the council members whom the enterprise's director nominates. Thus the enterprise director has the right to revoke the nomination, vacating the chairman's seat on the council and thereby automatically preventing him from acting as the council's chairman.

These and the other collected questions will not require immediate action, and we would like to avoid frequent modifications of the statute. But once we have gained sufficient and substantiated experience, we will not hesitate to propose changes in the statute.

[Question] I would be interested in Miklos Pulai's answer to the following question: What gives the enterprises more autonomy: their organizational independence, or economic regulators that do not limit the enterprises' room for maneuvering and their decision-making authority? And finally, is it possible to command-direct with the economic regulators?

Miklos Pulai, deputy chairman of the National Planning Office: Although this question is similar to the one about the chicken or the egg being first, it is not so difficult after all.

Organizational independence is a prerequisite for an enterprise to be independent within the room for maneuvering that has evolved (and in part has been developed) for it. The room for maneuvering and its expansion depend on many factors that the regulators influence only partially. This is borne out by the experience that there are significant differences, in terms of enterprise results (and hence of the room for maneuvering as well), among enterprises operating under the same system of economic regulation.

With the economic regulators we want to influence the enterprises' decisions, and not to command-direct them. Of course, the system of economic regulation is a broad concept that usually is interpreted to include many elements (perhaps too many). The nature of these elements differs considerably from the viewpoint of exerting influence.

Let us consider a few recent examples: In 1986, the enterprise is taxed at a rate of 500 percent if its average wage increase exceeds 10 percent. Thus raises higher than 10 percent are not banned, only too expensive. This obviously influences the enterprises' decisions regarding raises. Of course, not of the ones that have found it difficult even up to now to give raises of only 3 or 4 percent. Or anothe example: As a rule, enterprises must pay a 15-percent accumulation tax on their investments. A few preferential investment objectives may be given preferential tax treatment. I hope that this is influencing the enterprises when they are formulating their development concepts.

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PROBLEMS, SHORTCOMINGS IN RAIL TRANSPORTATION DISCUSSED

Budapest FIGYELO in Hungarian No 1, 2 Jan 86 p 5

[Interview with Dr Rezso Bajusz, director general of MAV [Hungarian State Railways] by Maria Demcsak: "Is MAV on Track?"]

[Text] What could be the reason that one of the country's largest enterprises, the Hungarian State Railways, in recent years has not been able to completely fulfill either the quality or the quantity requirements? Can movement away from this low point be expected in the future? This is what our reporter discussed with Dr Rezso Bajusz, MAV director general.

[Question] This year in the fall MAV had even bigger problems than usual. It can certainly be evaluated now to what extent the railroad has been able to fulfill the requirements.

[Answer] The real processes taking place this year in the national economy have made the railroad's job significantly more difficult. It is well known that the energy restrictions caused by this winter have caused significant problems in the chain of production, distribution and consumption. In the first 5 months we fell short of our plan by about 3.5 million tons, which was due to temporary economic difficulties, and similar problems in the surrounding countries also played a significant role. Consequently, our transit also declined, which we were unable to sufficiently offset even with the various discounts.

[Question] This quantity, when compared to the 120 million tons planned for the whole year, is minuscule. Theoretically it is not unimaginable, that this shortfall can be made up.

[Answer] Even before the fall traffic we could see that we could only partially cover this shortfall. By the end of August we had "repaid" half a million tons. At the same time, due to the lack of merchandise base, the shortfall had increased by three-quarter million tons, which was connected with the late harvests. By then it had become clear, that the problems can only be overcome by special measures, and even then only in part.

[Question] Do you mean measures beyond the railroad's sphere of authority?

[Answer] Yes. On the initiative of the Ministry of Transportation and the National Planning Office a national program of measures has been prepared, which covers the shippers and the domestic supply industry as well. The railroad has tried to relieve the tensions somewhat by means of an internal program of measures. A significant portion of the programs has been completed--with the exception of the spare parts and locomotive deliveries, the omission of which has affected us very severely. In spite of this we were only able to approximate the quantity planned for the last 3 months.

[Question] So you were unable to make up the total of about 4 million tons of shortfall.

[Answer] Only a part of it, about half a million tons. Even more of it could have been made up, but we were losing additional positions in November as well as in December. In the first week of November the shippers were loading at an unusually low level because of the holidays. And in December, even though we had the capacity to transport 10-11 million tons of goods, this projection was far from being met, because at an overwhelming majority of the enterprises the working days between the two holidays had already been worked in advance. Furthermore, lack of planning and problems in receiving have cropped up within the railroad system. Fatigue and indifference could also be observed among the railroad workers, resulting in lack of discipline.

[Question] The outside observer sees only that the railroad is unable to live up to the justified demands of the national economy....

[Answer] If we analyze the situation which has developed in detail, it is clear to the experts that some of the problems can be solved by better organization, creation of interests and a series of other measures--by finding the undiscovered opportunities for relative expansion of the capacity. But only some of them.

[Question] The root of the problem--as much has already been said about this--is to be sought in development which for years has been unnecessarily smaller.

[Answer] This is a fact, but we hope that we are at the end of such a macroeconomic cutting-back process which demanded unheard-of efforts from the national economy. We succeeded in decreasing the deficit in the balance of payments. Of course, the national economy's problems have also affected us. But we did not consider it natural that they affected us more than many other producing organizations.

[Question] Would you explain more in detail what you mean?

[Answer] The railroad operates with a huge equipment park, with low specific investment in relation to tne wealth it owns but with large volume considering its quantity. It is obvious that when the national economy has problems much more development resources can be temporarily taken away from the large producing organizations. It made our situation even more difficult that we arrived at this 5-year plan period with significant amounts of indebtedness.

[Question] How much was the railroad's total contribution to the budget in the last 5 years?

[Answer] In the Fifth 5-Year Plan the difference of receipts from and payments to the state was a surplus of 17 billion forints. And during this 5-year plan period we paid in about 8 billion forints more. Our interpretation of this is that the Hungarian Railroad as an organic part of the economy has made a significant contribution to decreasing the tensions. It is a different question that the railroad's activity--in contrast with a series of other producing organizations--cannot be replaced by import.

[Question] Current serious problems of the national economy have significantly affected the railroad as the last link in the chain of realizing production. This might even come in handy for MAV, since it has become clear that it cannot be left to its own devices as an independently operating enterprise.

[Answer] We would have preferred for this not to happen. As early as 1984 the government recognized the railroad's problems and developed a concept for solving them, but since then the situation has only worsened. The government's resolution last April took a very clear position in favor of halting the negative tendencies seen at the railroad during the Seventh 5-Year Plan. I consider this to be a great achievement. But today the national economy is not in the position of giving us additional billions to quickly make up the shortcomings.

[Question] Knowing the present situation, the only question is: When will the possibility present itself to help the railroads more vigorously?

[Answer] During the Seventh 5-Year Plan--even though not to the extent that the role we fulfill in the national economy would call for--we have received certain preferences within transportation. There is a clear resolution to gradually eliminate the railroad equipment problems while improving the efficiency or national economy.

[Question] What additional steps is MAV planning in the coming years?

[Answer] The Seventh 5-Year Plan goals are known. We would like to stabilize our economic operation partly by increasing the efficiency of the work within, and partly with the government help. It is the responsibility of the railroad management to distribute the financial means--about 33 billion forints--expected to be available for the development of the plan, according to such an extremely well considered strategy the fundamental goal of which is to preserve the existing transportation capacity, to maintain and in some areas to raise the level of service.

[Question] What are the points of emphasis you will concentrate on to meet this goal?

[Answer] Priority will be given to network development and within this to the development of the mainline network, knowing in advance that because of this for 5 years we will hear many complaints about the secondary network. The other significant task is to develop the rolling stock. We must maintain the level of the rolling stock transport capacity partly by intensive maintenance and partly by purchasing new equipment. Today it is still questionable to what extent we can rely on the domestic industry or the industry of the socialist countries for supply of materials, spare parts and equipment. In order to fully implement our plan we will absolutely need top level help on this point.

[Question] You can achieve a problem-free relationship with industry only with the state's help?

[Answer] The regulated market mechanism does not automatically solve our equipment supply problems even though we have the money for it. It is no accident that those points of the plan of measures worked out by the government were implemented to the least extent which concern spare parts supply and industrial support. It is my opinion that supply priority designated by the government is one of the conditions for being able to carry over our transportation capacity to the Eighth 5-Year Plan.

[Question] Return to the steam locomotives is an impassable path. But this fall you were forced to do just that due to the lack of spare parts for the electric locomotives.

[Answer] This is a fact. We increased the pulling capacity of the steam locomotives and besides this we leased diesel locomotives from the Czechoslovak partner. This is why energy consumption increased, causing a quarter billion forint loss of profit.

[Question] MAV would need vigorous technical development if for no other reason then because its employment problems are increasingly untolerable.

[Answer] The concentration of developmental means just mentioned also indicates that in part we wish to replace manpower in the area mentioned. I do not speak of freeing up manpower because the technical developments are being carried out mainly in areas with manpower shortages. The most important viewpoint of the developments is to make relative capacities available. By speeding up the train traffic and the switching operations we plan to increase the transportation capacity by 5-7 percent.

[Question] Half a year ago the Hungarian state took out a $20-million loan from the World Bank for MAV. What is this money being spent on?

[Answer] With the World Bank loan we can purchase the most modern technology. We will implement a portion of the containerization development, significant machinery purchases for track modernization and track maintenance, as well as modernization of the Ferencvaros railroad station from this loan. In the near future the railroad will also obtain modern technology as payment for the export of its own specific services. We plan to enter into joint ventures with foreign firms, and we also have agreements with domestic industry. For the most part these represent joint developments to speed up the handling of traffic, to decrease specific energy consumption, and a number of other goals. But in the first half of the plan period too much significance must not yet be attributed to the items listed, since these will be supplementary solutions.

[Question] Is passenger transportation also among the areas to be developed?

[Answer] Congressional and state resolutions obligate us to treat improvement of the quality of the passenger transportation services as a basic task. We can promise demonstrable progress in raising the standards of the passenger areas and facilities connected with serving the passengers, inside and outside cleaning of the trains, timely performance, and more flexible schedule design. We wish to do everything to at least keep and to win back a part of our traveling public we lost due to the fare increases. Basically we place the emphasis on the so-called job-related trips, that is, on the commuters. To achieve this we intend to buy 60 electric motor trains, but there is also a need to change the attitude of our workers.

[Question] This also requires wage improvements.

[Answer] We will be able to make progress here as well, again with the help of the government. So far this year we have implemented a special wage improvement, I might say at the last moment. In fact, employment was alarmingly decreasing and in some places even maintaining traffic was in danger. For the first time in 10 years the decrease of employment stopped, but in order to keep the personnel in the coming years we will need central assistance in addition to the internal measures. Furthermore, we are already working on reorganizing the entire internal system. For example, we are introducing in broader circles the performance and piece rates. These measures will truly achieve the desired effect only if we also provide the workers with the conditions necessary for more efficient work.

[Question] The railroad's share of the performance of transporting goods is decreasing from year to year. Can continuation of this tendency be expected?

[Answer] As motorization becomes more popular, the public highway continues to gain prominence--even if not at the same rate as before--but the railroad continues to be the classical means for transporting large masses over long distances over land. If we cannot satisfy the needs of the shippers or cannot do it adequately, then they are forced to transfer their goods onto the public roads, even though they could be transported more cheaply and more efficiently by rail. But this is contrary to the interests of the railroad as well as of the national economy.

[Question] It seems that the plan for decreasing the need for transportation at the national economic level is contrary to the interests of the transportation enterprises since these can increase their incomes by increasing their transport performances. How can MAV reconcile the two?

[Answer] There really is a contradiction here between the interests of the national economy and the enterprises, but if we resolve this contradiction properly, then the enterprise interests can also prevail. The railroad is an enterprise of public service character but after all it also operates on the profit interest motive. Each ton it cannot transport decreases its income. But in the optimum case--in connection with the need for specific transportation--a transportation chain develops where in accordance with the regulating principles of the transportation policy and on the basis of the technical and economic possibilities the goods will come into existence, where they can be transported the most efficiently. If these transportation chains become completed--considering also the modern unit packaging, containerized and other technologies--then it is in the railroad's interest that these chains do come into existence and the specific transportation demands decrease on the national economic scale. The railroad's place is a stable one in the transportation chain and it can be organized, since we will shape the railroad's technical preparedness in accordance with this. We will also create the financial and technical conditions needed for the program. But the government program encourages not only us but also the public highway transporters and shippers to implement the program.

[Question] As far as I know central resources are also available to implement this program.

[Answer] Yes. Consequently I am certain that the goods appearing on the public highways due to duress caused by the capacity and other problems mentioned above can be guided back onto the railroad. If in the future the railroad did not prove to be a sufficiently reliable partner, then the program would cause the railroad to lose its position again. This must and can be avoided.

In conclusion let me say that I am optimistic because we have a strategy with which we can move away from this low point. We have also received a promise from the government for special aid. Naturally they are justified in expecting us to make the maximum efforts to take care of the tasks. Perhaps in the beginning the speed of progress will be slower than we would like, but we will be moving forward.

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CREDIT,MONETARY TRENDS IN 1985 DISCUSSED

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 24 Jan 86 p 6

[Article: "Most of the Newly Created Money Went to the Population"]

[Text] If one assumes that the social product was deflated by approximately 80 percent in 1985, in October the money supply lagged by approximately 40 percent behind the growth in the volume of the total production of the money supply and behind the growth in the volume of total production. That is to say, the annual rate of growth of the money supply at the beginning of November was 42 percent and it was 347 billion dinars greater than at the beginning of the year. In view of the fact that the entire production was based on constantly growing prices, this means, on the one hand, that the coefficient of the circulation of the money supply has been increased and, on the other, that some of the current payments were not met. In other words, this means that purchases were made by means of various securities which postponed payment, or else by a failure to make payments that were due. It is not possible to single out and state with certainty which aspect pertains to the faster circulation of the money supply and which to the irregular forms of money, but it is certain that the sum totals several hundred billion dinars, which indicates that the credit and monetary policy is considerably less restrictive than one would be led to believe by the indicators pertaining to changes in basic money supplies.

In the first 11 months of 1985, short-term bank credits (the data pertain to the period ending on 10 November) increased by 49 percent in relation to the volume at the end of the previous year, while long-term credits grew at half that rate (27 percent). A great increase was also noted in discounted and rediscounted stocks (approximately 67 percent) in comparison with December 1984. The volume of those stocks increased, however, also because they include the amount of interest earned by them. In the second half of November there was an unusually strong growth of bank investments, which caused the money supply to post a very high increase in that month. In November, it grew by 138 billion dinars, which was 40 percent of the money that had been created in the entire preceding 10-month period. Thanks to this, the cumulative growth of the money supply during the period January-November 1985 amounted to 470.6 billion dinars.

Most of the newly created money went to the population. In November, the population received 80.6 billion dinars, or 58 percent of the entire money supply. In 11 months, the population increased its liquid assets by 202 billion dinars, while in that same period the economy decreased its liquid assets by 40.5 billion dinars. This was the first time that the economic organizations had at their disposal at the end of November of the current year less money than they did in December of the previous year.

The outflow of the money supply into the hands of the population was caused, for the most part, by the rapid growth of personal incomes in November and in the preceding months, which contributed to having the organizations of associated labor convert part of their profits into money and distribute it by means of personal incomes. In view of the fact that, due to seasonal reasons, there is always a major increase in ready cash during December, it is to be expected that a significant portion of the money supply will be retained in 1986, mostly by the population but also by some other non-economic sectors.

The announced decrease in interest rates, to start in February 1986, could coincide with the increase in inflation which should follow the planned price increases and the growing costs of doing business. If one proceeds from the justified assumption that the growth of personal incomes will not continue at the present rate, one should expect that the rate of savings will go down. Furthermore, the decrease in interest rates will slow down, or even stop altogether, the process of increasing term deposits, so that the relative effect on demand will be more pronounced than would otherwise be the case.

The decrease in interest rates will contribute to the improvement of the financial situation in the economy, in view of the fact that it has to increase reserves and revolving funds as a whole. Data on the nine-month periodic accountings reveal very strained relations in this area. Eighty-eight percent of the total amount of revolving funds are invested in reserves and claims, i.e., in such a way that they take the longest possible time to revolve and it is most difficult to exchange them for more liquid forms of money. In financing the renewal of the means of production, in the majority of cases use is made of somebody else's funds; for this reason, self-financing in the economy has dropped from 43 percent in 1984 to 41 percent in 1985.

The percentage of ready cash in overall revolving funds has dropped to 12 percent (as opposed to 16 percent in the period January-September 1984).

The greatest problem in the structure of revolving funds are the reserves, which at the end of September accounted for approximately 53 percent of the revolving funds. In relation to last year, the reserves have increased by 87 percent, which is higher than the inflation rate. In addition to the high increase in prices, other things contributed to the increase in reserves: increased value of the reserves, a decrease in the overall market demand, an intentional withholding of products from the market because higher prices are expected, the hoarding of semimanufactures due to a fear of uncertain supplies, etc. Reserves have reached a level where on the average they spend two months in one cycle of production; during that period, well over half the amount in revolving funds is immobilized, which in turn causes an increase in shortterm debts and expenses associated with interest rates.

The Structure of Revolving Funds

Item	30 Sep 1984	30 Sep 1985
Revolving Funds	100.0	100.0
Money and securities	15.6	12.2
Buyers' debts	22.9	24.0
Debts from advances	11.8	11.1
Total reserves	49.7	52.7
Sources of Business Funds	100.0	100.0
Permanent sources of business funds	43.0	41.3
Associated resources	6.7	6.6
Total credits	32.7	34.5
Debts to suppliers	10.4	10.3
Debts for advances	7.2	7.3

In the absence of its own funds, the economy has been using the savings of others through bank credits. For this reason, bank credits went from 33 percent of all sources of business funds at the end of September 1984 to 35 percent at the end of September of this year. At the same time, this was also the cause of the increase in payments associated with interest rates, which is one of the major cause of spending inflation in Yugoslavia.

It is significant that thus far in 1985 there has been a high increase in advance payments (66 percent). Approximately 41 percent of all the debts in the economy are paid in this manner, and, judging from everything, it is unlikely that major changes will take place within 1985.

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HEAD OF CROATIAN BANK DISCUSSES NEW BANKING LAW

Zagreb DANAS in Serbo-Croatian 24 Dec 85 pp 13-15

[Interview with Dr Tomislav Badovinac, chairman of the Business Committee of the Associated Bank of Croatia by Ljubomir Cucic: "A Fine Sieve of Economic Criteria"; date and place not specified]

[Text] The law on changes in the banking and credit systems is the foundation from which should stem a turnabout in money management in Yugoslavia. This turnabout should bring us not only closer to rational management of social financial resources, but also to a more complete influence by the organizations of associated labor, the founders of the banks, on the banks' management of money. We have discussed the changes that will inevitably follow the adoption of the law, and the reasons that have brought about the law with Dr Tomislav Badovinac, chairman of the Business Committee of the Associated Bank of Croatia which, incidentally, is the bank with the largest resources in Yugoslavia.

[Question] The law on the banks has been adopted by the federal assembly. Why was it really adopted?

[Answer] Our development to date has been marked by the fact that the demand for financial resources has been greater than the supply, except perhaps for the most recent period, when the demand may have fallen off because of high interest rates. This imbalance has been especially evident in regard to investment funds. Under those circumstances, the money was for the most part being allocated within certain banks, and so a partial mechanism for utilizing those funds became characteristic of our financial system. We lack those desirable integrating currents that guarantee an even influence of economic criteria and an efficient utilization of money within the framework of the banking system and the economy as a whole. The decision making in the banks is based on separate and consequently not uniform evaluations of the economic criteria pertaining to the conduct of business. The managements of many banks adjusted these criteria to the stipulations of a closed circle of their customers, bank members.

This so-called customer relationship had a powerful influence and, over time, it became a significant and financially perceptible aspect of the banks' conservatism. This was especially evident in the well-known principle that a bank would not only approve credit for, but would not even accept requests from organizations that were members of some other bank. The status of customer or depositor, i.e. one who deposits into a bank part or all of his money, is so powerful that by itself it guarantees that requests for credit will be honored. Thus, the customer's relationship with the bank renders marginal all criteria based on objective economic laws pertaining to the utilization of money.

[Question] The new law proceeds from the assumption that a bank is an independent economic institution. During the preparations for the adoption of the law, and during the public debate, several different interpretations of this assumption were voiced, and the question was even raised whether that assumption was of a non-self-management nature. Can it be concluded that the so-called independent bank is not equally welcome everywhere? It is evident that these contradictions and differences are not only of an economic nature, but are also political and even ideological.

[Answer] The law defines a bank as "an independent financial institution for conducting credit and other banking functions." It is true that this position has been interpreted in different ways. Still, the fundamental intent behind that formulation was simply to obligate the banks to apply economic laws in the conduct of their business. This presupposes greater independence, but also increased responsibility in the management of money. Independence really means that the members of a bank formulate their own and the bank's business policies exclusively in accordance with economic laws, make independent decisions on how to deploy the funds that have been deposited in the bank and, what is particularly important, accept all the consequences of poor business practices, the risks, erroneous decisions, and business failures.

[Question] Logically, this stands, but practice could bring about new disagreements. It is being maintained that such an elevation of banks is in reality the first step toward so-called "independent centers of financial power."

[Answer] I think that such views are without foundation. An independent center of financial power comes about when the accumulated funds in a bank are managed not by the founders but by some other forces, for example select technocratic groups, political factors, or a third party. We have been witnessing for many years these very practices, which had nothing in common with rational economic investments. As a matter of fact, that is the source of all of our troubles. Such interference, however, is not possible if, as provided by the new law, the management of the bank's resources is turned over to its founders, i.e. those who are forced to invest only in accordance with economic criteria. If they fail to do so, they must suffer all the consequences.

[Question] Such a responsibility also imposes the need for standardized criteria for lending, to state it tentatively. That is to say, it would be possible for many to satisfy the so-called economic criteria, but still lack sufficient funds because of scant resources. What should really be the main determinant in investing?

[Answer] It is not true that the banks have no responsibility toward the strategic goals of socio-economic development. On the contrary, it would really be good if the medium-term plans would base these strategic goals on the criteria of economic laws; as far as the major infrastructure projects are concerned, it would be necessary to find some special means for development based on specific economic criteria. Thus far, there has been no authoritative document to obligate the banks to establish a series of points, principles, and yardsticks for implementing their own business and credit policies. The absence of clear economic parameters was also evident during the combining of resources in order to carry out certain special development projects. In Croatia, even fundamental organizational preconditions do not exist, because the Associated Bank was formed only recently.

If increasing exports is the fundamental orientation for development, then individual banks, as well as the banking system as a whole, must turn toward that goal. The development of export-producing facilities, along with an essential structural adjustment of the economy, must take absolute precedence.

[Question] In the debate on the new law, one could frequently hear that the law was good, even too good, and that in its present form it could, because of the current circumstances, also have undesirable consequences. Consequently, among other things, the demand has been made that the law be implemented gradually, and that there be an adjustment period. What is meant by this?

[Answer] The new regulation will begin to take effect at a time of difficult circumstances of increased losses, poor liquidity, an unsettled situation in regard to permanently revolving funds, differences in exchange rates, and high losses that have not been covered and paper assets in the banks. Without a prior financial consolidation of the economy and the banks, implementing the law would indeed cause major problems and dislocations. For that reason, it has been proposed that some of its provisions should not be implemented during the first year. This primarily pertains to the article that stipulates the liquidity of the business banks and its founders, and to the stipulation of the criteria for credit worthiness. The time should be utilized to settle the financial disorder in the economy and the banks, and this is the only case that would justify the so-called transition period.

[Question] Stipulating the liquidity of the banks and the economy is in fact the most important element of increased responsibility in the area of business policies. The responsibility of the bank members is proportional to their share of the bank's assets. This has caused some claim that we are introducing into our finances elements of a shareholding and profit-oriented system.

[Answer] I really think that we should be clear about what we want. Either we will conduct business on the basis of sound economic criteria, and the banks will become truly responsible economic entities, or else we will succumb to political phraseology.

[Question] The stipulation dealing with the amount of deposits and the right to manage has generated the conclusion that the banks will in fact be ruled by their greatest debtors. This was undoubtedly an allusion to the situation in the largest business bank in Croatia. Does such an objection have any basis in fact?

[Answer] The banks are managed exclusively by their founders and social juridical persons. It is necessary to point this out in order to remove all doubts and possible misunderstandings regarding the social nature of banks and the socio-economic relationships that will develop in them. The management of a bank is based on the volume of deposited and associated funds, and the quality of such funds. This is a key question for overcoming the situation where those who had minimal deposits in the bank were on an equal footing in regard to management, as were those who managed poorly and even suffered losses, with those who had deposited major sums of money and who furthermore managed the money wisely.

[Question] In our banking system, the associated banks have always had a somewhat inferior position because the lawmakers limited their area of work and business. Does the new law bring any improvements?

[Answer] In Yugoslavia, only the basic banks can conduct all the banking functions, from taking in people's savings to doing business with foreign countries. This has brought about a not completely desirable systemic superiority of the business banks vis-a-vis the associated banks which, for example, cannot use any source to form their own deposits and invest them independently in the form of credits. In reality, associated banks are powerless giants because their founding and conduct of business are in the hands of the basic banks.

[Question] Tying the hands of the associated banks could also be taken as an attempt to prevent having financial dealings be restricted to a single republic.

[Answer] It seems more likely to me that the real reason for the undefined position of the associated banks is their powerlessness vis-a-vis regional trends and retrenchments. As a matter of fact, integration at republic level, through associated banks, must be and should be the greatest obstacle to regionalism. At any rate, there is nothing to prevent the associated banks, once they are formed, to associate at the federal level. The reason and motive for such links could be developmental projects having an all-Yugoslav significance. Consequently, it is possible to build, but not destroy, solidarity and unity through the associated banks.

[Question] Recently, the utmost attention has been paid to the so-called paper assets in banks. Depending on the source, these assets can be measured in thousands of billions of new dinars. It has been said that these nonexistent funds are the major impetus for inflation and instability in Yugoslavia. Where do these phantoms come from and how can we rid ourselves of them?

[Answer] Undoubtedly, there are huge amounts of unreliable and nonexistent claims, as well as those that have been written off, that are rolling through the banking channels. It would be difficult to talk of specific amounts, because, in addition to differences in exchange rates, they have not been figured out exactly. These financial phantoms have been created in several different ways. The main ones are uncovered differences in exchange rates, claims against organizations operating at a loss that are facing bankruptcy proceedings, and low quality and worthless assets. The removal of these paper assets is one of the basic preconditions for the stable conduct of business and the non-inflationary financing of reproduction. How can this be achieved? In the first place, by removing the focal points of exchange rate differences, which the new law on foreign exchange does to a large extent. Furthermore, it would be necessary to spread the burden of existing but uncovered exchange rate differences over longer periods, with a special law. An important link in this process of consolidation should also be the definitive solution for the mutual debts between the National Bank of Yugoslavia and the business banks. The future profitability of the banking business would immediately prevent the formation of losses in banks. Each bank should reevaluate its own claims, and, if there is no other way out, seek a solution through a rescheduling, a process of restoring profitability, or, as a last resort, by liquidating the hopeless debtor.

[Question] What can the government offer in this context, and how do you interpret the position of the Yugoslav presidency that has devoted the most attention especially to the removal of such paper assets in the banks and in the economy?

[Answer] I think that the presidency, being fully aware of the real trends, has established a rational order of priorities in which, for good reason, the financial consolidation of the economy and the banks is the starting point for the overall process of stabilizing our economy.

[Question] The law on foreign exchange has been adopted recently, through an accelerated procedure. Do its stipulations also follow the line of the basic aims of the law on the banking business?

[Answer] I have not noticed any major divergences between the two laws. They aim for permanent liquidity for the dinar, without which both laws will have failed. Both laws define and specify the role and responsibility of the banks in an exceptionally sharp manner. They regulate in a similar manner the possibilities for incurring debts in Yugoslavia and abroad, as well as the basic conditions for conducting the banking business.

[Question] Can the new laws help bring about increased confidence on the part of foreign financial centers, and can they help improve the credit worthiness of Yugoslav banks abroad and ensure their return to the world financial markets?

[Answer] Foreign countries are carefully monitoring the new legislative solutions and events in our economy. This has been confirmed in talks I have had with representatives of foreign banks. They view as positive the fact that the laws are introducing economic criteria into our economy gradually, and they welcome their greater flexibility in regard to systematic solutions aimed at enhancing mutual economic exchanges. One can expect an increase in confidence, however, only when our economy becomes a more serious and reliable partner for the developed West.

[Question] One of the most painful points in our relations with foreign countries are the debts. In Croatia, they are concentrated primarily in the Economic Bank of Zagreb. Does the fact that from now on foreign exchange debts can be repaid by purchasing foreign exchange for dinars improve or change the position of the greatest debtors of this bank?

[Answer] One thing that is certain is the decrease in the pressure for foreign exchange liquidity. The former mechanism of ensuring foreign exchange for the repayment of debts through institutionalized solidarity has disappeared. In a way, that mechanism has helped to bridge the gaps created by a lack of dinar funds. Now, the dinar aspect of the debt is coming to the fore, instead of foreign exchange; consequently, a completely new strategy will be necessary to remove the difficulties facing us. Actually, these difficulties are facing all of the major industries associated with the infrastructure, especially the electric power industry, to give an example. It is also clear, however, that the troubles facing those debtors are not only theirs or only of the Economic Bank. This is a matter involving property with a broad social significance, and the entire economy will have to help, as it did in the past.

[Question] The problem of the internal, i.e. dinar, liquidity of debts is impossible to consider without taking into account the interest rate policy. High interest rates harmonized with inflation have become in Yugoslavia a battlefield for various views on how to stabilize the Yugoslav economy. It would be interesting to hear your views on the controversial policy of real interest rates.

[Answer] Real, i.e. positive interest rates are one of the basic and underlying axioms of a market economy. Real interest rates, however, can do their job only in a situation where the economy owns 85 percent of its resources and utilizes loans only to get over the "spikes" encountered in doing business, because it is not profitable to have all the revolving funds on hand all the time. They will not be effective if they are introducing into an economy which in general does not operate in accordance with economic laws and which, for the most part, has no money of its own. The only consequence would be an even greater increase in prices. This discord has its roots in a decade of doing business without having real prices be a factor in production, at a time of exceptionally cheap credit. Past attempts to harmonize the interest rates with inflation resulted in a further devaluation of revolving funds, because the big money has been "siphoned off" into private pockets.

Furthermore, experiences in applying a policy of positive interest rates confirm that the interest rates were measured off in a linear manner, without any sense for the differences in the economy, for developmental and stabilizing priorities. They are tied to inflation, which was increasing on a daily basis. The only possible conclusion is to decrease the growth of prices.

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OFFICER SCHOOL ACTIVITIES OVER PAST FIVE YEARS REVIEWED

Warsaw PRZEGLAD WOJSK LADOWYCH in Polish No 10, Oct 85 pp 5-7

[Article by Brigadier Dr Stanislaw Zak, head of the Military School System Directorate, and Col Dr Edward Szumer, "A Hard Working Five Years for Higher Officer Schools"]

[Text] Higher Officer Schools [WSO] have inaugurated the 1981-85 period with a clearly defined program of action. Its significance was expressed in the guidelines issued by the Council for Higher Military School System at its plenary session in June 1979; it elaborated on an earlier directive by the Ministry of National Defense which has recommended "...improvement in the standing of higher officer schools, expansion of their ever growing scholarly activity, turning leading courses into chairs, intensified granting of academic degrees."

According to this recommendation by the Council's chairman, the minister of national defense, the main effort has since been focused on improving the quality of the didactic process, as well as of education and research, by linking organizational reforms to accomplishments in those areas, pivotal for the functioning of the schools. We would like, therefore, to draw the readers' attention to some development processes, under way in the WSOs, in particular in the model ones.

The organizational structure to promote the most significant teaching and educational functions of the WSO's, has been defined in the new 1981 edition of "Principal premises for cadet training in the WSOs," as well as in the curricula and educational programs, amended to conform to these premises.

The document, which sets up the WSO targets for the entire decade, points out, inter alia: "...the requirements for the 1980s inspire the need to set up qualitatively higher standards for the WSOs, in accordance with the cultural, scholarly, and technological levels of development. The schools should train new cadres of military experts, even better prepared for their future civic and professional roles, endowed with the necessary proficiency and personal values."

The document prescribes the personal and professional model to define the image of WSO graduates. On one hand, it expresses the general goals and contents of training; on the other, it sets up guidelines for preparation of professional character traits of the graduates, that is to say, an empirical model of WSO graduates for every specific training line and for every specific military specialization.

When curricula were first structured, professional characteristics of graduates were spelled out for the first time, to indicate detailed targets and selection of educational contents. Results of the research project "Methodology of structuring the WSO curricula" were also allowed for.

The "Principal premises etc." has endorsed a new form of training,--alternate courses tentatively introduced several years earlier. In higher professional military schools they had proved their full effectiveness, allowing for rational redirection of study and education processes, not divorced from real life, and for better and fuller preparation of graduates to discharge their functions and duties at their first operational levels in military units. Long-term (educational) apprenticeships have also contributed to the shaping of more profound motivation for the military profession among cadets, and at the same time stimulated their verification.

Research projects carried out during such experimental alternate courses have confirmed the hypothetical expectations concerning the efficiency of this form of training. In particular, they promoted higher levels of practical knowledge, as well as talents and habits of command, instruction, and education. Prolonged service with military units favored familiarity with the socioprofessional milieu, and shaped desirable habits in service and work, as well as self-confidence and resourcefulness; it brought intimate knowledge of combat and technological equipment. The universal introduction of alternate courses in the WSOs has been a major achievement of the last 5 year period.

Graduates' Professional Proficiency

The top levels in the Ministry of National Defense have also paid major attention to the problems of quality of training and educational processes. In 1984 alone, three consecutive sessions of the Council for the Higher Military School System dealt comprehensively with many problems essential for these schools. Some of them were as follows:

--"Analyzing and evaluating the process of shaping the personality of WSO cadets, in particular as far as ideopolitical and moral attitudes are concerned."

--Analyzing and evaluating the process of shaping command, military specialist, and pedagogic proficiency of WSO cadets."

--"Evaluating WSO organizational structures and prospects for their continuing development of the chair system."

--"The current state and development prospects of the WSO infrastructure."

The document prepared for consecutive sessions of the Council, the analyses, conclusions, and suggestions presented there, as well as recommendations passed, constitute a valuable theoretical contribution to military schooling, as well as methodological guidelines for further improvement of the teaching and educational processes in the WSOs.

Their implementation includes, among other things, introduction of a new subject in the curricula, called "Basics of Command." This discipline, which covers the psychological and sociological, as well as practical aspects of command functions, provides a good theoretical basis for the development of such talents, needed by every officer.

Major attention has been paid to professional proficiency of WSO graduates, defining its scopes and modes of shaping. Professional proficiency is defined by the scope of acquired knowledge, as well as by inculcated know-how and competence. As far as officers, WSO graduates, are concerned, the range of their command, their military expertise, and their pedagogical proficiency are of primary significance, especially during the first period of their professional duties. After all, on those values, as well as on their ideopolitical proficiency, the graduates' ability to discharge their functions at the lowest command level depends. To define the components of professional proficiency, it has been determined that:

--command proficiency is defined as a syndrome of personal and professional predispositions, intellectual and proficiency ones in particular, which allow the graduates rationally to command the soldiers' troop (sub-unit) consigned to them, both in peacetime and in war, according to the praxeological principles and to the letter of military regulations and rules, combined with easy use of the regulations language;

--pedagogical proficiency is defined as a syndrome of personal and professional traits, including in particular the acquired knowledge and officer's know-how, which would allow them in the most rational, lucid, and effective manner to shape the convictions and the attitudes of soldiers, as well as to educate and to train them;

--military expertise proficiency is defined as a syndrome of personal and professional predispositions, including in particular the know-how and competence which should characterize an officer-specialist in a given armed service branch. In addition to theoretical knowledge proper, familiarity with equipment and weapons, ability to make use in combat of their technological and military propensities, and knowledge of their proper maintenance conforming to the set standards, are of particular importance.

Many practical guidelines concerning the essential components of the training process in the WSOs derive from the above mentioned instructions and definitions, which constitute a valuable contribution by the Council for Higher Military School System.

A major role in elaborating and propagating didactic innovations, especially in the area of methodology of teaching, has been played by the Joint WSO Commanders, established in 1979 and acting as a permanent advisory body to the Council for Higher Military School System. The regular operational modes of this body, and above all its meetings held at extramural sessions, each time in a different WSO (training center), as well as the preparation of materials for such session, presentation of most successful model solutions of organizational and methodological problems, opportunity for unconstrained exchange of views and experiences--all that provides a unique platform which promotes improvement of the entire operational process of the WSOs.

Scholarly Development of Cadres.

Scholarly and methodological conferences, held since 1982, are a new initiative of the last 5-year period, and have been adopted and substantiated within the timeframe of militry training. They are devoted to separate disciplines or groups of disciplines, and allow for acquaintance in depth with their problems, and for formulation of organizational and methodological guidelines which insure unification of teaching and educational processes throughout the military school system. The previous conferences held within the WSO structure were devoted to problems of tactics (1982), firepower (1983), and ideological and educational work in a training sub-unit (1984). In 1986 another conference, devoted to teaching of the subject, "The ABC's of Command," will be held.

The 1981-85 period was also of major significance for improving and developing WSO research projects. This activity has been focused on a broadly conceived study of didactics in the WSOs, in particular as far as their curricula, specific methodology, and effectiveness of didactic measures are concerned. Some projects were directed at problems of tactics and firepower. Wherever conditions and means permitted, some schools have come to grips with technological problems, including those linked to the national economy. This was, in particular, the case of WOSS, WOSR, and WSOWCh.

Major porgress in acquiring PhD degress by teaching cadres has become a target and the result of research activities. Since early 1981, the number of officers with academic degrees has gone up by 72 percent; number of doctors of military studies, the most important group among graduated WSO cadres, has quadrupled. The first assistant-professor theses have also appeared: Col Ryszard Majewski of WSOWZ in the humanities, and Mjr Bogdan Zoltowski of WSOWRiA in technological sciences. It indicates a higher quality level in the scholarly development of cadres, and provides good prospects for the coming 5-year period.

The scholarly development of cadres has provided a major lever for improved quality of teaching and educational processes in the WSOs. Lively intellectual activity and increased range of professional knowledge directly affect the level of teaching and the teacher's prestige. A higher level of proficiency of the teaching cadres is closely linked to their increased ability to influence cadets. Thanks to their own scholarly contributions and to the results of their research, diplomed teachers enrich the knowledge imparted to cadets.

Under such circumstances, the teaching process acquires a new dimension, more attractive, inspiring, and at the same time practical one. The rejuvenation of teaching and scholarly cadres, inaugurated during the last 5 years, has been of major importance for the scholarly development of the schools. In many cases scholarly degrees have already been granted to graduates of the first WSO classes of the 1970s; this bodes well for acquiring assistant-professor degrees in those schools.

The recent organizational snd structural reforms of the WSOs followed the scholarly development of their cadres and the positive changes in the teaching and educational processes. The number of chairs has grown by 75 percent, in some WSOs approaching the target [WSOWI], while Research Teams for Methodology of Teaching have been turned into Institutes for Military Didactics. Lectorates of foreign languages have been granted separate entity and autonomy, as Foreign Language Studies. Following the proven experience of the military academies, joint positions for scholarly and teaching cadres and for auxiliary staff have been introduced throughout the WSOs, thus permitting the school commnnders to better structure the entire corps of military academic teachers, according to the tasks alloted to their various links (chairs, institutes, courses).

Thanks to the inspiration of the WSO commands and of top levels in the Higher Military School System, and with significant assistance of the Chief Inspector for Training, of the Main Directorate for Combat Training, and of military districts and armed services commands, a modern, even unique in some of its solutions, material and teaching basis has recently been established, in particular as far as tactics and special tactics training are concerned. The use of computer technology in teaching, as well as in managing and running schools, has been introduced on an increasingly broad scale. Scholarly libraries have expanded: in addition to their primary functions--information and service--they have began to play teaching and scholarly role as well.

We are aware of all the weaknesses which have afflicted the WSOs over the last 5 years. They include, among others, a high percentage of dropout cadets, in particular during the first and second year of studies; difficulty in achieving at least a satisfactory level of general military preparation of graduates; uneven scholarly development of cadres in various schools; and, finally, the still unsatisfactory from our point of view progress in improving the living and social standards of cadets.

However, in the last 5 years, the prevailing trait was systematic progress in the entire functioning of the WSOs. A synthetic and credible indicator for such progress results from inspection, to which all the WSOs were submitted during this period, some of them even twice. In each case the marks were "good". Nearly 75 percent of the WSOs were honored by recommendation in the annual training reports of the minister of national defense, some of them even twice [WSOWI] or three times [WSOWOPL, WSOSK]. In acknowledgement of their contribution to the development of the armed forces, the PPR Council of State granted the Higher Officer School for Mechanized Troops and the Higher Officer School for Armored Troops the Banner of Labor Order, 1st Class, to mark their 40th anniversary.

The WSOs, preparing the future professional cadres of the armed forces at a level conforming to the contemporary military thought and technological progress, and systematically improving the performance of their teaching and research duties, have become an essential component of our country's defense capability; the educational system, elaborated and implemented by those schools, tested under the difficult social and political conditions of the early 1980s, should be particularly stressed.

The last 5 years, for most WSOs crowned by their 40th anniversary, has therefore been in almost all its aspects put to good account in implementing the previously quoted guidelines of the Ministry of National Defense. The ongoing development processes in these schools provide a good basis to let in the second half of the 1980s.

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RELATIONS OF WORKERS WITH EDUCATED CLASSES DEFINED

Prague NOVA MYSL in Czech No 12, 1985 pp 32-41

[Article by Rudolf Franek: "Timely Questions of Workers' Relations with the Intelligentsia"]

[Excerpts] The birth and advance of socialism are lawfully linked with the leading role of the workers class under the direction of the communist party. Yet, the workers class can fulfill its historical role only in association with the other working people. The character of this association, however, its tasks and problems, do not remain static, but rather change and develop in relationship with the overall character of society, the degrees and stages of its development, as well as its corresponding main tasks and goals.

While during the period immediately following the socialist revolution, the workers class wielded its power in association with small and medium farmers, retail producers and the intelligentsia, at the present time it does so in union with the cooperative farmers class, the intelligentsia and other working people. This union has a socialist character not only in the substance of these classes' tasks but also in the character of these classes and groupings and their mutual relations. This does not exclude a differing degree of socialist consciousness and maturity in members of this union or individual components of these groupings and classes.

One of the vital tasks in the realization of qualitatively new tasks is the transition from largely extensive economic development to intensive economic and social systems. The principal instrument in this goal is significant acceleration in scientific and technological development. This brings about a whole complex of wide-ranging and demanding problems and tasks. In terms of difficulty, they are compared with the resolution of such past problems as industrialization and collectivization. Fundamentally, it is a question of qualitatively new problems which it is necessary to master.

In the process of building an advanced socialist society, which includes the realization of the above-mentioned tasks, there is a higher and more extensive impact of the subjective factor, the importance of its readiness and ability to master demanding tasks and apply them in practical terms. In the sphere of social sciences, this confronts us with the need to devote priority attention to the basic moving forces which decisively influence the future advance of socialism, their fundamental interests and mutual relations. A part of this task is research on the character and evolution of the social class structure, especially the processes of bringing classes and groupings together and formulating and strengthening the individual's socialist profile and way of life.

Our society's principal tasks in the realization of the strategic line of building advanced socialism were set in the resolutions of our party congresses. These tasks include the strengrhening of the leading role of the workers class and the communist party, transition to an intensive economy, intensification of socialist relations in society, bringing together of social classes and groupings, town and country, physical and mental endeavor, formulating the development of a new mentality in people, etc.

Our future tasks were also formulated at the 15th Central Committee session which analyzed the current state of affairs and revealed the weaknesses and untapped reserves in our development. Great emphasis was again placed on accelerated application of scientific and technological advances in our everyday life. It is in the realization of this key task that the importance of a firm union between the workers class and the intelligentsia comes to the fore. It is sometimes asked whether current or future changes in this sphere might not be in some way reducing the role of the workers class. In searching for the truth in this matter, we should not consider merely the narrow professional and technical aspect, even less only certain of its components.

Marxist-Leninist theory has scientifically documented the fact that even in the period of the scientific and technological revolution there is no abolition nor reduction of the leading role of the workers class. There are a number of good reasons for this. The most important is that the workers class, even more than the other classes and groupings, has an interest in the acceleration of scientific and technological progress in all its fundamental aspects and relationships. Its interest is linked with a comprehensive understanding and desire to implement such progress. The workers class is indeed the principal guarantor of a process in which advances in this field will be subordinated to the fundamental tasks and aims of a socialist society as a whole, thus also in the interest of all the other working people. The workers class is able to make sure that these priority tasks emanate from the goals of the socialist revolution, the building of socialism and communism. The interest of the workers class stems from its position in the socialist division of labor, a position which makes it even more interested in this sphere than the other classes and groupings. From this it follows that the workers class wants qualitative changes in this division of labor and their impact on the social class structure. In the current stage it is mainly a question of the character and substance of labor, the significant differences between physical and mental endeavor, between research and management, etc., and the social consequences of such division of labor.

Scientific and technological advances enable the workers class to gradually contribute to the fruition of its aims and interests. At the same time, it should be remembered that scientific and technological progress is only one factor affecting the future, albeit an important and vital one. Even today the workers class represents the principal and immediate producer of material values which make scientific and technological progress possible. The workers class is interested in both quantitative growth of production and its higher quality.

The growth of production and its metamorphoses are linked to satisfying the needs of the workers class and the other working people, including the process of further emancipation from the old type of division of labor. The contemporary production process in industry and some other branches, e.g., agriculture, still encompasses a considerable extent of physical or predominantly physical labor, accompanied by physically demanding work, monotony, unfavorable working and environmental conditions, all of which brings about undesirable social consequences.

Despite already implemented significant changes in the CSSR industry and other branches, results of research show that a large portion of workers still performs predominantly manual labor. Research in selected Czech and Slovak industrial enterprises, for example, indicates that, on the average, labor performed by the blue collar workers is physically still much more strenuous than that performed by white collar staffs and the intelligentsia. Based on results of research, we can thus state that the differences between physical and intellectual endeavor, as represented by the above-mentioned groups, are still considerable throughout our industry. Significant differences are also found in the level of education, even though in this sphere the process of rapprochement is somewhat more rapid than in the character and substance of labor as such. This process of rapprochement is significantly aided at this time by the introduction of compulsory middle schooling of 10-year duration for all members of the young generation.

In the period of scientific and technological progress, the significance of the leading role of the workers class increases rather than diminishes, while its numbers remain steady. The workers class represents a mighty source of creative forces and talent.

The character of the intelligentsia's social position and tasks should not be derived merely from quantitative data nor from the very development of science, technology, education and social upbringing. In other words, the importance of this social grouping cannot derive from narrow professional aspects, nor even from the technical, production and specialized vantage points. The social position and role of the intelligentsia is determined primarily by its social, economic and political function, as well as by the relationships of its place and work in a given society. This is because science, technology, culture, education and other areas in which it is active are socially conditioned and have social consequences. The professional activity of this social grouping is heavily dependent on the character of a given society, its tasks and developmental dynamism.

Scientific and technological progress faces the following two sets of problems:

1. Resolution of specific issues concerning the substance and methods of individual scientific disciplines or groups thereof, while natural and technical sciences examine the natural laws which are independent of the character of a social system.

2. Resolution of problems which are socially dependent and which are related, above all, to conditions of scientific and technological development, their application in everyday life, their benefits to society, etc.

The principal task of science and technology is to contribute to higher effectiveness of production, based on technological, production and organizational innovations. In socialist societies, social effectiveness of production and other labor processes comes to the fore.

Scientific and technological progress contributes in a specific manner to the intensification of relations between the intelligentsia and society as a whole, notably relations between the workers class and the intelligentsia. This is brought forth by certain new types of relationships between science and technology on the one hand and production and practical application on the other. In the period of the industrial revolution, scientific and technological progress was, more or less, isolated from production, since the degree of intermeshing was relatively weak and remote in time. In addition, there was the fact that the process of scientific and technological advancement, even though relatively concrete, was divorced from society as a whole.

At the present time the situation is quite different. The cycle of science--technology--production--use, constitute a unified system in which the time between discovery and its introduction into production has been reduced significantly. Development in production presents science and technology with not only quite concrete tasks, but also with increasingly broader ones which are becoming more of a strategic nature. This is related to the necessary advance of science over technology and production. For the scientific and technological intelligentsia this creates the need for a more intensive relationship between its endeavor and societal development. Knowledge of the trend in a socialist society in all its fundamental aspects (economic, social class structure, class rapprochement, the political sphere, including worker participation in management, the ideological area and a whole new way of life) requires of members of the intelligentsia a high degree of identification with socialism, its future developmental needs, as well as with the interests of the principal social classes and groupings, notably the workers class.

Realization of scientific and technological progress in conditions of building advanced socialism, not only formulates for the intelligentsia qualitatively new tasks but also offers it enormous opportunities for the application of its creative talents and skills in social practices. This is indeed in its own interest, as well as in the interest of society as a whole. The establishment of harmony between the intelligentsia's new tasks and the conditions for its successful endeavor represents a very complicated process in which many objective and subjective obstacles must be overcome.

Besides the already-mentioned new relationship of science, technology and production, the following tasks and problems come to the fore in the intelligentsia's future endeavor:

-- intensification of cooperation between science and technology, i.e., between scientists and technicians;

-- application of a comprehensive, systemmic and inter-discipline approach in the resolution of problems. This assumes cooperation not only among technical specialists but also among experts in the sphere of social sciences;

-- intensification of cooperation between technical and social science intelligentsia and members of the workers class as the principal implementors of scientific and technological progress.

A socialist society objectively creates rather propitious conditions for such cooperation. Its quality and results, however, depend not only on concrete conditions in individual spheres of activity but also on the degree of knowledge of and dedication to this cooperation among members of the individual social classes and groupings.

Scientific and technological advance under socialism demands that those working in these disciplines deal not only with the narrow specialized aspect of their endeavor, but also respect its social, economic and political effects on a given organization, as well as on society as a whole. In this connection, there is an important role for the scientists and technicians in their cooperation with those working in social sciences, in the applied social disciplines, such as economy of labor, management and organization of work, ergonomics, sociology and psychology, as well as those oriented on theoretical spheres of societal development.

A significant part of scientific and technological progress is the resolution of the relationship between the worker and the machine. In a socialist society the worker is considered the most important element in scientific and technological advance. Application of this thesis in practice, however, is very demanding. V.G. Afanasief, well-known Soviet author in the sphere of scientific communism and scientific management of society, stresses that scientific and technological workers have the task of "creating machines which do not repress the worker but rather respond to his or her mental and physical capabilities, thus ensuring the best possible conditions for the work performed.... This is an expression of the effort to combine higher productivity with care for the worker's health and his or her physical and intellectual development."

The real social position and task of the intelligentsia, including its professional and social activity, does not depend merely on objective determination, but also to a great extent on the understanding of its objective role and function, especially its relationship with the other classes and groupings, with all the ensuing consequences. This means, above all, understanding of the social economic and social political aspects of its position and role, especially a correct relationship with the workers class and recognition of its leading role not only in theory but also in practice.

The union of the workers class and the social group of the intelligentsia is not the result of merely the effect of objective legalities nor only a reflection of the fundamental interests of these two groups. In the formulation and strengthening of this union in all its stages, the ideological, political and organizational work of the party always played an important role, both within the workers class and among members of the intelligentsia. Understanding and promoting the real social position and function of the intelligentsia has been a part of this effort. Among other things, it was necessary to overcome two extreme views. According to the first, the intelligentsia, or at least its part, is considered a social elite which stands above the other classes and groupings, and whose task it is to lead all of society. The other extreme is underestimation of the intelligentsia's role. The tendency to demean the intelligentsia or even an effort to pit the workers class against it, is an expression of misunderstanding of the fundamental interests and tasks of the workers class, thus lack of preconditions necessary for its union with the toher working people, including the intelligentsia.

Future development of socialism requires the strengthening of the leading role of the workers class and its historical role in the concrete conditions of the current developmental stage. The basic impetus for the unity of the workers class and the intelligentsia is the fact that their fundamental interests are the same. Following the abolition of private ownership of the means of production, the intelligentsia had shed its dependence on the bourgeoisie. Nationalization of the means of production created objectively the same relationship to it by both groupings, with the ensuing consequences for the social status and role for the workers class and the intelligentsia.

The problems of workers class and intelligentsia interests have thus far been examined on a rather general plane, we still lack their more detailed elaboration. Yet, it is important that these interest problems concern not only delineation of the fundamental interest, but also specific interests and the method and degree of mastering knowledge of these interests from different vantage points in terms of both consumer and co-owner of the means of production, i.e., on the level of labor activity, initiative and responsibility.

The alliance of the workers class with the intelligentsia has a multifaceted character. An important role in it is played by direct and indirect social linkage, transition of some workers to the intelligentsia social group, social origin of students and middle and higher school graduates, etc. Other areas common to both are the ideology of the workers class, scientific world outlook, Marxism-Leninism.

Problems of this alliance must not be limited merely to analysis of general trends, basic elements of a joint position, role and interest of the two. The creation and enhancement of the alliance includes not only the establishment of propitious conditions nationwide, but also resolution of these problems at the level of concrete work sites and individual working class and intelligentsia groupings. Research and answers to these questions encompass various vantage points, from the theoretical to the implemental, and should reveal all the important relationships. We still suffer from weaknesses in this area, in terms of both theory and practice.

Speaking of practical terms, in industrial enterprises and plants, for example, there is a certain underestimation of the work of preproduction components, with a consequent underrating of the technical intelligentsia. There are also some shortcomings in material and moral stimulation. So far, there has been insufficient implementation of party and state resolutions on greater differentiation in rewarding, based on the real contribution of individual employees and collectives toward advancement of production, science and technology, individual plants themselves, and the interests of society as a whole.

An important role in the enhancement of the alliance between manual workers and the intelligentsia rests on the complex rationalization brigades. This form of strengthening the union makes it possible to intensify cooperation and a joint endeavor of workers, cooperative farmers and the scientific and technological intelligentsia, to overcome parochial sphere, branch and enterprise barriers, thus promoting the unity of the workers class and the intelligentsia. The inclusion of workers collectives in the broader picture of resolving problems in development, production and introduction of new technology into practical use, is a part of this process.

Currently, there are certain shortcomings in the character and degree of correct interpretation of the social position and role of the intelligentsia in the implementation of scientific and technological progress. As noted by J. Obzina, there appear among certain members of the intelligentsia elements of uncertainty on how their conceptual programs, expert advice and proposals will be received. Part of the intelligentsia also fails to promote their ideas in practice with sufficient fervor and emphasis, tending to be deterred by obstacles. The realization of scientific and technological progress, therefore, encompasses both the substantive and social dimensions.

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EUROPEAN CULTURAL FORUM EVALUATED

Prague TVORBA in Czech 18 Dec 85 p 3

[Article by Ilja Hulinsky: "Reflections on the Budapest Cultural Forum"]

[Excerpts] The Czechoslovak delegation arrived in Budapest with a clear line to make the cultural forum successful so that it contributes to the strengthening of the Helsinki process and its further overall development. Our delegation therefore consistently strove at the cultural forum for a businesslike and constructive dialogue in all sections of its commission (artistic production, dissemination and cooperation in the area of culture) through cooperation in regard to the problems which the participating countries share. It systematically tried to prevent the discussion at the cultural forum from slipping down, in contrast to the Helsinki Final Act, into senseless polemics about the ideological issues which separate the participating countries and on which therefore they cannot reach agreement.

From the very outset of proceedings at the cultural forum two tendencies intertwined perspicuously. On the one hand, there was the tendency to make the cultural forum positively affect the development of overall, mutually advantageous cooperation in Europe and to contribute to mutual understanding. On the other hand, there was the tendency revealing obvious lack of political will to participate in the measures which would promote the process initiated at Helsinki in 1975. In short--the line of supporters of and opponents to the detente. It is characteristic of the discussions at the cultural forum that this line did not represent only the dividing line between the delegations, but it frequently ran within the individual delegations, that it was often possible to trace it even in the speeches of representatives of one and the same delegation.

And it is necessary to state that, despite the rigidly ideological, in fact antagonistic approaches the members of the delegations from the ranks of major personalities of cultural life of their countries let themselves only in exceptional instances to be misused for the indignified attacks on cultural policy of socialist countries and against the very idea of peaceful cooperation of European culture in its entire national diversity and ideological differences. For illustration of the atmosphere at the conference mention should be made of the following incident: A member of one of the largest and least constructive Western delegation looked up the members of the Czechoslovak delegation with the excuse for his speech in which he had repeated the cliche about the inappropriateness of the socialist state's interference in the artistic production and dissemination of artistic value pointing out that this passage was inserted in his speech by the political advisers of his delegation.

From the proceedings at the cultural forum it was apparent to what extent the realistic forces of all delegations realized their responsibility for the indispensable restoration of the constructive dialogue in all areas of the Helsinki Final Act, for the necessity to fight particularly in the present situation for the return to relaxation of tension. In this respect it is significant that laborious negotiations on the meaningful final document of the cultural forum for whose adoption these forces (and particularly the artists) in all delegations strove ultimately intensified antagonisms between the countries of Western Europe and the United States. Both the existing antagonisms in the questions of cultural policy and questions of approach to the Helsinki process itself in whose preservation the Western Europe is eminently interested. Also from this standpoint it is clear, why the proceedings of the cultural forum were not significantly affected by various attempts of groups of private persons around the so-called antiforum which were magnified out of proportion by certain Western media. One could feel too much from their frustrated political ambitions, though disguised as interest in culture; they acted too closely hand in hand with the protagonists of the line of opponents to the relaxation of tension and constructive cooperation of countries with different social systems. They were thus quite apparently in conflict with the spirit which at the cultural forum crystalized in its conclusion: To achieve that also from the cultural forum one could hear the expression of good will--to embark on the road announced in Geneva, to learn to live together.

The cultural forum stimulated an active participation of culture in the Helsinki process. Most of the delegations at the forum consisted of really important representatives of culture and arts. Precisely these representatives in the governmental delegations of Europe's East and West lent the work of the cultural forum its businesslike and constructive character.

The work organ for questions of dramatic arts (theater, music, ballet, folklore, cultural programs on radio and [illegible]) offered, because of the wide range of problems and conceptual content, [illegible] opportunity for sharper confrontations of different concepts of the function and position of culture. Nevertheless, a number of problems of development of dramaturgy and cultural exchange were evaluated with great responsibility. The Czechoslovak proposal for greater cooperation within the major European music festivals met with considerable response. Members of the Western delegations expressed very favorable opinions about the contribution of the Karlovy Vary (Carlsbad) festival of TV and film schools. A lively discussion was evoked by the proposals concerning the so-called "free skies" and a joint cultural TV channel transmitted by a satellite. These proposals, however, met with opposition also of smaller West European countries which criticized them from the standpoint of penetration of American culture into Europe and violation of national cultural identity.

In the work section for the area of literature and publishing the discussion was held on a high intellectual level with the concrete proposals for intensified cooperation particularly in the area of translations, joint editions, prose and poetry and so on. The convincing evidence of the big number of copies of Western authors' works published in the socialist countries, however, was demagogically contradicted by some Western representatives that these works were allegedly published for statistics sake only because they never get to the readers. At the same time they tried to prove that the Western publishing houses could not afford to publish the books of authors from the socialist countries because they were under the pressure of readers' taste. In the course of proceedings disturbed by the negativist attitude of some representatives of the United States and Great Britain, continuous reminders of so-called dissident authors and so on (in this context "arguments" were used about nonpublishing of J. Seifert's works in Czechoslovakia), however, a differentiation took place within the delegations of Western countries. Most of the delegates tried to revert the discussion to the serious topics. Author Gunther Grass expressed fear about the fact that Europe is turning into an arsenal overfilled with nuclear missiles. He proposed to set up in Budapest or Vienna a center for coordination of cooperation and contacts between East and West in the area of culture.

The cultural forum was thus dominated by the tendency for a constructive dialogue, mutual understanding of attitudes and positions, although it was apparent that it would be necessary to do away with bias and preconceived ideas also in the future. Too many Western delegates engaged in polemics not about the real concepts and shortcomings of socialist countries, but rather about their own ideas and illusions about these concepts and shortcomings. The proceedings at the cultural forum, however, made it clear that the road of a constructive dialogue was realistic, that even in the present divided world there was enough intellectual potential which the creators of culture were able to put at the service of rapprochement and understanding among the nations, at the service of strengthening the atmosphere of mutual respect and trust.

The proceedings of the cultural forum have produced a multitude of specific proposals for expanding international cooperation. They pertained to both general and specific problems of various areas of culture including the creation of conditions which will be more favorable for authentic artistic values than for almost mass produced cultural imitations. The proposals of major cultural figures from various countries contained also in this respect valuable suggestions calling for the establishment of a system of protection of cultural values in the areas of music, film, literature and creative arts.

Most of these proposals can be implemented after bilateral or multilateral negotiations although they were not included in the final document of the cultural forum. Moreover, during the concluding intensive negotiations on the potential wording of the final document there was among the delegations absolute agreement that the Budapest forum was a valuable contribution for development of mutual understanding, expansion of international cooperation and cultural exchange, and that the results of its work, including the proposals submitted in accordance with the principles and provisions of the Helsinki Final Act, will be communicated to and taken into account by the next subsequent meeting of states of the Conference on Security and Cooperation in Europe of the Belgrade and Madrid type which will convene in Vienna in fall 1986.

These two ideas among others were included also in the draft of the final report which was submitted in the concluding hours of the conference by the host country--the Hungarian People's Republic.

As to our delegation, it must be pointed out that among more than 115 formal proposals submitted to the cultural forum, 21 were submitted by Czechoslovakia. Among them was also the joint proposal of the CSSR, GDR and USSR which contains an appeal to all artists and cultural workers to help with their creative work to strengthen in the world community the ideas of peace, antimilitarism, social progress, mutual understanding and friendship among the nations. Among them was also the draft of a resolution condemning psychological warfare, dissemination of untruths and lies among the nations.

Attention of the Budapest cultural forum participants was attracted also by our other proposals such as for international conferences on protection of cultural monuments and historical towns, on cooperation in the area of design, on evaluation of experiences with the construction of new art galleries, on long-term loans of exhibit from galleries, on the organization of festivals of young creative artists, on the establishment of a European forum of young music and also the proposals which arose during the comparison of creative results from the area of pantomine or satirical films. With equal response was met also the proposal for intensified exchange of radio plays or protection of children from the effect of films and television shows portraying brutality, violence and pornography. With understanding were met also the proposals for intensified cooperation in publishing the literature for children and young people, for exchange of literary and illustrative materials, mutual joint production in publishing literature and so on.

Despite the fact that due to the negative attitude of several Western delegations (particularly of the United States and Great Britain), agreement could not be reached on the comprehensive final document (and the Romanian delegation did not give its consent to the adoption of a short final report) as a positive result of the cultural forum can be regarded the fact that in the atmosphere of an intensive dialogue its participants were able to search for and indicate the common points of interest important for the development of European culture, and to propose also a number of very specific, often new forms of intensified cooperation in the cultural area among the states--signatories of the Helsinki Final Act. The contribution of the cultural forum lies thus in the fact that, despite encounters of distinct views, it was possible to explore the ways for the restoration of a businesslike and constructive dialogue within the Helsinki process and on its basis.

The cultural forum, however, had one more aspect which was clearly apparent in all its proceedings: consciousness that artists and cultural workers also bear the historic responsibility for peace and progress, for preservation of the cultural heritage of mankind. The actual result of the cultural forum thus points to a more hopeful future which was opened by the historic meeting of the highest representatives of the USSR and United States in Geneva.

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HOUSING SHORTAGE CONTINUES

Prague RUDE PRAVO in Czech 29 Dec 85 p 3

[Article by Marie Konigova: "What Is Talked About"]

[Text] Apartments, apartments, apartments. A magic formula by means of which people were accustomed to evaluating the standard of living. On the other hand, one can often hear that the lack of housing units is a significant factor affecting even the high divorce rate, among other things. It all depends on the persons who are just talking about this subject, such as people who have applied for an apartment; or others who are planning a family and do not want to bring their child into the cramped apartment of their parents; or finally those who justify their family problems by not getting along with their fathers- or mothers-in-law. In any of these cases, however, the final words are: "just to have our own apartment...."

Toward the end of the year the subject of new housing units attracts more attention than ever. Why is that? The answer may lie in the presentation of Miroslav Mrazek, deputy and common correspondent of the Czech National Council Committees at the recent 19th meeting of the highest Board of Representatives in the CSR. He said: "I should mention also the state of fulfilling the plan of complex apartmental housing construction, especially in Prague. At the end of this year's third quarter only 420 units were completed here, which equals barely 5 percent of the annual task." He was quite justified to add that even when it is possible to catch up on many things in the coming period, the quality of work and effectiveness will certainly not benefit from it. He was also right in stating that the mistake lies in an incorrect approach to the way in which the planned tasks are being fulfilled.

Year by year the following situation occurs repeatedly: in the last trimester approximately 90 percent of housing units are waiting to be completed. However, deputy Miroslav Mrazek emphasized the following in his presentation: "Next year this kind of approach will not be possible. It will simply be ruled out by the challenging targets of the next year's state plan and the state budget issuing from it."

However, such was also the spirit in which also deputy Alois Olsan spoke a year ago, as well as deputy Miloslav Storkan and CSR Finance Minister Jaroslav Tlapak 2 years ago, and other deputies before them. In spite of all this the finishing of housing units, except in the north Bohemian kraj, keeps being put off until the last months, weeks and not rarely even days of the year come.

Perhaps it could seem that practically everything is all right. People end up with allocated apartments, after all. Nevertheless, the deputies mentioned another incidental phenomenon of this long-lasting routine as well, namely, the low quality of the completed housing units. Many things left undone, defects, leaks. Exactly according to the old proverb "Haste makes waste." Thus it happens that in some cases it is not always possible to present the housing units to their new users, and the terms of completion are being deferred to the following year. However, this way the construction companies get to be free from any obligation. They have delivered their job, no matter how shabby. And "in time." After all, no state report or statistics cover the fact that sometimes their people do finishing jobs, repairs and improvements even during the whole following year.

Thus nothing else is to be done than to believe that the critical notice presented to deputy Miroslav Mrazek was indeed the last one.

9910/12859
CSO: 2400/143

CONCERN FOR ENVIRONMENT INTENSIFIES

Prague RUDE PRAVO in Czech 19 Nov 85 p 1

[Unattributed editorial]

[Text] In the course of the last three 5-year plans, the level of environmental care has become one of the determining factors in the rising standard of living, but in some areas also one of the constraints in the development of productive forces. Through its economic and social impacts, this problem has affected more and more significantly the opinions of the population and has also become more prominent in interstate relations.

One can say that in both the shaping and protection of the environment we have succeeded in many respects, especially during the years of the Seventh 5-Year Plan. Certain environmental goals spelled out at the 16th Congress, however, will not be met. The efforts to secure these goals were not consistent, nor sufficiently sophisticated.

Today's shaping and protection of the environment cannot be achieved without a sophisticated and well thought-out approach to solving our ecological problems. Such an approach is necessary because of the high degree of economic and social development of our society and the dense population living on our restricted territory with limited natural resources, as well as our need to achieve self-sufficiency in food production. All this should be in harmony with the need to maintain our country's ecological stability.

By and large these, but also a number of other factors, were the rationale for the Principles of State Planning for the Protection of the Environment and the Rational Utilization of Natural Resources. This document, which was recently approved by the federal government, follows in the steps of the plans adopted by the two national governments and is the first sophisticated report related to environmental protection in Czechoslovakia. This document received the full support of the presidium of the CPCZ Central Committee.

The main theses of the principles are based on the fact that care for the environment is one of the basic duties of a socialist country and is an integral part of economic and social development. Also, that each and every organization which in any way affects the environment is fully responsible for rectifying all the damage it causes as well as for effectively disposing of or utilizing waste products.

This suggests, among other things, that in the principles of state planning the meaning of the term "environment" is understood in a broad sense. It also includes the problems of waste disposal, foreign substances, agricultural efforts, and the rational use of natural resources as well as the problems of management, scientific-technical and investment policy, and international cooperation. One can say that we are talking about a systematic understanding of the protection of the environment and natural resources based on the improvement of the weakest links of the mutual relationship between nature and society in the economic, administrative, and political spheres. The goal is a gradual harmonization of the ecological, economic, and social aspects for the creation of healthy conditions for the life and work of our people.

The primary aim of the principles is the limitation of the negative impacts of the production processes vis-a-vis the environment, especially in areas with a high concentration of production and mining activity. Consequently, at the federal level we shall primarily be controlling the effectiveness of the measures to improve the quality of air in the two capitals, in the Podkrusnohorska Basin, and in the Ostrava-Karvina industrial region. This, however, does not mean that the other areas requiring necessary care and attention in this respect will be ignored. Those areas will be the responsibility of the two national governments.

Another priority of state planning, besides limiting industrial effluents, is protection of the purity of underground and surface water, the safeguarding of agricultural land, and the preservation of the nature and beauty of our countryside.

Following the evaluation of the existing situation and in accordance with the possibilities of our economy, the above-mentioned principles create prerequisites for reducing the deterioration of our environment during the Eighth 5-Year Plan. This is also the tenor of the A12 state-targeted program, The Formation and Protection of the Environment. This program deals with the implementation of scientific-technical and investment policy in the area of the environment and encourages research and development and production capabilities affecting the improvement of the natural agents of the environment.

We estimate, based on our economy's potential, that the amount of investments earmarked for solving the ecological problems will be Kcs 17.5 billion during the Eighth 5-Year Plan. This is neither an insignificant amount nor a final figure because funds from other social resources will be directed at improving the environment.

How these funds will be spent in the construction of plants to achieve clean air and water or to use or dispose of waste products will be of utmost importance. We can realistically achieve the goals listed in the state plan only if the ecological investments will not remain at the periphery of interests of the individual ministries, economic production units, enterprises, and national committees.

The state program of ecological investments for the Eighth 5-Year Plan is oriented toward the realization of the most important measures aimed at the leading sources of water and air pollution as well as waste disposal. The aim of the investments is to improve the situation in the most greatly affected areas. Hence, for the first time the federal government has classified construction projects aiming to protect the environment as priority projects which cannot be substituted by constructions of other types.

The new state plan also spells out a firm principle that anyone who initiates a new investment project is fully responsible for eliminating its future possible negative effects on the environment. Undoubtedly, this will complicate the life of many investors, even those who are in charge of the most important construction projects needed by our national economy.

For a country with high industrial activity such as ours and even more so if its air quality is affected by the consequences of great industrial activity in neighboring countries, there is no other choice than a planned improvement of its environment. No social goal must be implemented if it disturbs the ecological balance. The tasks which the federal government publicly spelled out in the aforementioned document are politically and economically important affecting the further social and economic development of the republic.

1277/12859
CSO: 2400/83

BRIEFS

PRON, CULTURAL COUNCIL CONFER--Jerzy Ozodowski, Sejm vice marshall and vice chairman of the PRON National Council, and Prof. Bogdan Sucholdolski, chairman of the National Council for the Arts discussed forms of cooperation between the PRON National Council and the National Council for the Arts in the development and dissemination of culture, especially the Polish language, on 9 December 1985. [Text] [Warsaw TRYBUNA LUDU in Polish 10 Dec 85 p 2] 13021/12913

HUNGARIAN SOCIAL SECURITY TALKS--In Warsaw, talks between the Social Security Agency and the Hungarian State Social Security Administration concluded with the signing of a cooperative agreement for 1986-88. Ireneusz Sekula, the chairman of the Social Security Agency, and Istvan Bartos, director general of the State Social Security Administration, signed the agreement. [Text] [Warsaw TRYBUNA LUDU in Polish 10 Dec 85 p 2] 13021/12913

KRAKOW FORMS 'ALSO-RAN' CLUB--During a meeting of the Krakow deputies to the Sejm, a proposal was made to form an informal Also-Ran Club to aid the Krakow delegates. The intent is to use the civic experience of the candidates who were not elected. [Text] [Warsaw RZECZPOSPOLITA in Polish 10 Dec 85 p 5] 13021/12913

PRON APPEAL FREES 186 PRISONERS--Continuing their review of cases of persons either accused or convicted for non-criminal offenses, the prosecutors and courts issued another decision concerning the implementation of PRON's humanitarian initiative. As is generally known, PRON appealed for leniency for such persons. As of 9 December 1985 PAP has learned 186 persons, including 22 women had been freed from prison. [Text] [Warsaw ZYCIE WARSZAWY in Polish 10 Dec 85 p 2] 13021/12913

SOCIALIST YOUTH UNION AKTIVS MEET--Three hundred activists of the Union of Socialist Polish Youth from five voivodships are meeting in Spala (Piotrowski Voivodship) for training. They are discussing the most important current tasks of the union and evaluating the implementation of the resolutions of the Fourth Congress of the union. They are also considering the methods and forms of youth participation in the discussion leading up to the 10th Congress of the PZPR. Tadeusz Porebski, member of the Politburo and secretary of the PZPR Central Committee, was the activists' guest. [Text] [Warsaw ZYCIE WARSZAWY in Polish 12 Dec 85 p 2] 13021/12913

ZSL AKTIVS, LECTURERS MEET--A seminar for the central aktiv, lecturers of the ZSL Chief Committee, and the ZSL voivodship committees was held, and Kazimierz Kozuka, member of the Presidium of the ZSL Chief Council, participated. Witold Lipski, a member of the Council of State and editor of "Wies Wspolczesny", delivered a lecture titled "The ZSL in the Interests of the Socialist State, Rural Areas, and Agriculture." [Text] [Warsaw ZYCIE WARSZAWY in Polish 12 Dec 85 p 2] 13021/12913

PRON, KRAKOW STUDENTS MEET--In Kracow-Nowa Huta the students of the Electrical School Group No. 2 met with Jerzy Jaskiernia, general secretary of the PRON National Council and Sejm Deputy. He told the youth about how the Sejm's role and work and mentioned its most important current activities. [Text] [Warsaw ZYCIE WARSZAWY in Polish 12 Dec 85 p 2] 13021/12913

NATIONAL 'ZBoWID' SESSIONS END--ZBoWID's national conference, which included the vice chairmen of the voivodship boards, has ended in Warsaw. During the year, as general Jozef Kaminski president of the national board, noted the union's members participated very actively in the celebrations of the 40th anniversary of the victory over German fascism and Japanese militarism. [Text] [Warsaw ZYCIE WARSZAWY in Polish 12 Dec 85 p 2] 13021/12913

FRG AGRICULTURE TALKS--Juliusz Solecki, PAP's Bonn correspondent, reports: The signing on Wednesday of the document defining the major forms of future cooperation concluded the visit in the FRG of the delegation from the Ministry of Agriculture, Forestry, and Food Industry headed by Minister Stanislaw Zieba. The delegation, here at the invitation Ignaz Kiechle, minister of food, agriculture, and forests for the FRG, held talks with the leadership of this ministry and toured numerous agricultural and scientific facilities and companies that build good processing and plant protection equipment. Minister Zieba was also received by Lothar Spaeth, premier of Baden-Wuerttemberg state. In an interview with PAP, Minister Zieba noted that the results of the visit are indicative of increased cooperation in the food industry and agriculture between the two countries. The details will be settled by the branch working group for agriculture and the food industry which will hold its first meeting in Bonn 17-21 January 1986. [Text] [Warsaw RZECZPOSPOLITA in Polish 12 Dec 85 p 7] 13021/12913

RESERVE OFFICERS MEET--On 12 December a meeting of the aktiv of the Reserve Officers Clubs of the National Defense League of large industrial plants was held in the Railroad Rolling Stock Repair Shops in Ostrow Wielkopolski. The clubs' task discussed at the meeting is to motivate the reserve officers to participate in the strengthening of the national defense. They also emphasized the need to improve the forms and methods of patriotic and defense education of youth. General Tadeusz Szacilo, first deputy chief of the Main Political Directorate of the Polish Army, and representatives of the Socio-Professional Department of the PZPR Central Committee, the National Board of the National Defense League, and the host voivodship participated in the meeting. [Text] [Warsaw TRYBUNA LUDU in Polish 13 Dec 85 p 2] 13021/12913

MILITARY AGRICULTURAL CADRES--On 12 December in Kazun in the Second Warsaw Engineering Brigade ("General Jerzy Bordzilowski Brygade"), a meeting on the 20th anniversary of the beginning of cooperation between the Main Political Directorate of the Polish Army and Agrochem Enterprise in developing cadres for agriculture was held. More than 100,000 soldiers have taken advantage of the opportunity to improve their qualifications during their basic military service. General Albin Zyto, deputy chief of the Main Political Directorate, and representatives of the Ministry of Agriculture, Forestry, and Food Industry, the National Agricultural Workers' Union, Circles, and Agricultural Organizations participated. [Text] [Warsaw TRYBUNA LUDU in Polish 13 Dec 85 p 5] 13021/12913

VILLAGE COOPERATIVE PLENARY SESSION--Service for agriculture and the rural populace by the rural township cooperatives their unions was discussed at the plenary session of the Council of the Central Union of Cooperatives Peasant Mutual Aid on 12 December. The socio-economic plan for 1986 was reviewed. It includes increasing the effectiveness of action, improving the efficiency of sales, improving product quality, and enlivening the socio-educational and educational-cultural activities. [Text] [Warsaw TRYBUNA LUDU in Polish 13 Dec 85 p 5] 13021/12913

FARM WORKERS FEDERATION MEETS--Two years have passed since the first, founding congress of the Federation of Farm Workers' Unions of the PRL. On this anniversary, a plenary session of its national council was held in Warsaw. The activities of the union members in social agriculture and the most important areas of action in the near future were reviewed. During the past 2 years the federation has added 1,335 new affiliates. In June 1985 it organized 2,800 units, and by the end of the year there will be more than 3,000. There are about 500,000 members. During the meeting of the national council, the federation received a flag donated by the affiliates. A large number of members were given state, ministerial, and union awards honoring them for their civic and professional work. Zbigniew Michalek, secretary of the PZPR Central Committee, in congratulating them emphasized that increasing number of state farms, agriculture producer cooperatives, and circle cooperatives deserve to be called efficient and have achieved outstanding economic and production levels. Jozef Koziol, vice chairman of the ZSL Chief Committee participated in the meeting. Nikolai Ryzhykov (member of the Presidium of the Supreme Council of the RSFSR, chairman of the Union of Professional Agricultural Workers of the USSR) and Rene Digne, secretary general of the International Association of Farm, Forestry and Plantation Workers attended the meeting. [Text] [Warsaw ZYCIE WARSZAWY in Polish 13 Dec 85 p 21] 13021/12913

PRON YOUTH FORUM--On 16 December 1985 the 12th Youth Forum will be held at the PRON National Council headquarters (Aleje Ujazdowskie 13). This time, as suggested by the participants in this discussion group, the topic will be "The German Problem in Young Poles' Consciousness." The following people have indicated they will participate in the youth's discussion: Dr. Mieczyslaw F. Rakowski (Sejm vice marshall), Prof. Lech Janicki (assistant director of the Institute of the Western Territories), Edmund Maclewski (chairman of the Main Board of the Wisla-Odra Society and Sejm deputy), and Subcolonel Dr. Marian

Wojtylowicz of the military Political Academy Social Research Institute. As usual Jerzy Jaskiernia, secretary general of the PRON National Council, invites everyone interested to the Youth Forum. The discussion begins at 15:00. [Text] [Warsaw ZYCIE WARSZAWY in Polish 14-15 Dec 85 p 2] 13021/12913

ZSL HOSTS ARGENTINIAN OFFICIAL--On 13 December Sejm Marshall Roman Malinowski, chairman of the ZSL Chief Committee, received Hipolito Solari Yrigoyena, secretary of the ruling UCR party of Argentina, who is visiting Poland at the invitation of the ZSL Chief Committee. R. Malinowski informed the guest about socio-political and economic situation in Poland and the ZSL's role in solving the country's and society's basic problems. The international situation was discussed. In this context Polish-Argentinian relations and prospects for their development were reviewed. The importance of parliamentary contacts for the development of relations was emphasized. Bogdan Krolewski (member of the Presidium), Jan Czaja, secretary of the Foreign Department of the ZSL Chief Committee), and Romuald Poleszczuk (Director of the Sejm Bureau of International Contacts) participated in the discussion. Ambassador Miguel Dias Szelagowski of Argentina was present. [Text] [Warsaw TRYBUNA LUDU in Polish 14-15 Dec 85 p 2] 13021/12913

PRON HOSTS MEDIA REPS--On 13 December at the PRON National Council there was a meeting of radio, television, and press journalists who write about the movement's activities. Jerzy Jaskiernia, secretary general of the National Council, informed them of PRON's new tasks given the changed political conditions and new social needs. Discussion on the movement's program is continuing. The group of specialists has completed work on the report on the state of national consensus in Poland. This problem will be the subject of the plenary session of the National Council in January 1986. [Text] [Warsaw TRYBUNA LUDU in Polish 14-15 Dec 85 p 2] 13021/12913

AMBASSADOR DEPARTS NORTH KOREA--Kim Ir Sen, president of the Korean People's Republic, received Leon Tomaszewski, the departing ambassador. Discussion touched on Polish-Korean cooperation. President Kim Ir Sen regarded highly the results achieved in relations between the countries and expressed the conviction that we shall continue to develop them actively. [Text] [Warsaw TRYBUNA LUDU in Polish 14-15 Dec 85 p 7] 13021/12913

GDR, POLISH TEXTBOOK WRITERS MEET--On 9-13 December in Berlin the 13th conference of the commission of specialists from the PRL and the GDR charged with improving the contents of school history and geography texts met. The meeting was held to exchange information on problems of education in both countries, especially in history and geography and the ideological and educational significance of their effect on young people. [Text] [Warsaw TRYBUNA LUDU in Polish 14-15 Dec 85 p 7] 13021/12913

TECHNICAL ORGANIZATION TALKS--In Gdansk, the meeting of the Main Council of the Chief Technical Organization has ended. Delegates of the 22 technical associations in the federation attended. The meetings primarily evaluated the nation socioeconomic plan for 1986-90 in science and technology. A resolution on federation activities to develop environmental protection and reclamation was also adopted. The Main Council adapted the program of activities for 1986 and the initial program and organizational premises for the 21st Congress of

Polish Technologists to be held in 1987. The Society for Technological Culture, registered in January 1985 and active since April, was made a member extraordinary of the federation. Delegates to the Sejm Socioeconomic Council were elected at the meeting. Prof. Janusz Szosland, chairman of the Main Council, presided. [Text] [Warsaw TRYBUNA LUDU in Polish 16 Dec 85 p 5] 13021/12913

WRITERS UNION LUBLIN MEETING--The meeting of the Lublin Voivodship section of the Union of Polish Writers was held on 14 December in Lublin. It was the first section meeting. Delegates to the national writers congress to be held during the coming year were elected. Tadeusz Jasinski was again elected chairman of the Lublin section's board. [Text] [Warsaw TRYBUNA LUDU in Polish 16 Dec 85 p 5] 13021/12913

EDUCATION MINISTER VISITS CZECHOSLOVAKIA--On 16 December Benon Miskiewicz, minister of science and higher education completed his visit of several days to Czechoslovakia. During his visit B. Miskiewicz informed his hosts about current problems in party work in higher schools and the adaptation of the program for training graduated according to the needs of the national economy. During visits to several higher schools and discussions with Ludovit Pezlar, secretary of the Central Committee of the Slovak Communist Party, and others the results and prospects of cooperation in education between Poland and Czechoslovakia were evaluated, emphasizing the need to it further. On 16 December Benon Miskiewicz was guest at the Higher School for Agriculture in Nitra. [Text] [Warsaw TRYBUNA LUDU in Polish 17 Dec 85 p 7] 13021/12913

AWARD TO BULGARIAN FRIENDSHIP SOCIETY--The Society for Polish-Bulgarian Friendship, which has existed since 15 December 1918, was given the highest Polish award--the Commander of the Order of Merit of the PRL. The society has cultivated knowledge of Poland and deepened sympathy for Poland in Bulgaria. More than 65 years ago it began an intense publishing effort. Thanks to its efforts the first anthology of Polish poetry published abroad was printed. Many prominent politicians and intellectuals, both of earlier periods and of today, have been among the society's meembers. Wladyslaw Napieraj, ambassador of the PRL, handed the high award to Georgiy Stoilov, chairman of the society's executive board, who was accompanied by several officers and outstanding activists of the organization. [Text] [Warsaw TRYBUNA LUDU in Polish 17 Dec 85 p 7] 13021/12913

ACTORS UNION NEW OFFICERS--The official meeting of the Warsaw Section of the Union of Polish Actors to elected new officers was held in Warsaw. The section elected new officers. Wienczyslaw Glinski (the well-known actor) was selected to lead the delegates. Jan Krzyzanowski was elected chairman of the Qualifications Commission. [Text] [Warsaw ZYCIE WARSZAWY in Polish 18 Dec 85 p 2] 13021/12913

CSO: 2600/221

CROATIAN ARCHIVIST DISCUSSES WARTIME MATERIAL

Zagreb DANAS in Serbo-Croatian 26 Nov 85 pp 24-26

[Interview by Zeljko Kruselj: "Petar Strcic: Are We Renouncing our History"?]

[Text] We have the history of the Zrinskis and the Frankopans, Viceroy Jelacic, Stjepan Radic, and of their times, but we will not have our own history, of us and of today, because there are no documents at all in the archives on the development of post-war socialist Croatia.

The archives of Croatia have approximately 15 kilometers of shelves loaded with authentic archival documents, in which respect Croatia far exceeds Yugoslav norms. Furthermore, one cannot disregard these archives when trying to explain many historical enigmas of the tempestuous and complex history of Yugoslavia.

In spite of its first-rate scholarly, cultural, administrative, and educational value, this institution which is of special social significance still encounters major space, technical, personnel, and financial difficulties; this is partly known to the public. This was the reason for our talk with Petar Strcic, the director of the Archives of Croatia, who is an expert on the 19th and 20th century history of western Croatia. In a lengthy interview, Strcic touched upon some publicly unavoidable instances of politicization of science, which aim to present our recent history in a negative light. He agrees with his colleagues who maintain that the "flood" of controversial books and theses is always a "cyclical" manifestation during times of crisis and major changes in Yugoslav affairs.

[Question] Comrade Strcic, can you explain to us the situation surrounding the acquisition of archival material? In view of the real opportunities, how well are we able to keep with the developed world?

[Answer] As far as the archival skills and other ancillary historical sciences are concerned, our experts are at the level of their foreign colleagues. What is more, Croatian archivists are among the leading in Yugoslavia, and they are also respected abroad. As far as technical capabilities are concerned however, we are the very bottom, not only in the world but also in Yugoslavia. We are at least several decades behind European countries. While the other republics have, for the most part, normal working conditions, the Archives of Croatia have only some small rooms, for example, for the restoration and conservation work and for the photographic studio. It is only now that a major project for the development of these necessary facilities has been approved. Also, recently we have begun, at our own initiative, to use a portable computer that belongs to one of our workers!

[Question] What about the microfilming of material? Today, this is the most reliable means of preserving and using documents the world over.

[Answer] Even though this is a legal stipulation, the Archives of Croatia have thus far encountered virtually no understanding in their attempts to photograph the documents for security purposes. Still, we have photographed tens of millions of meters of material, but that does not cover everything.

[Question] It is known that the Archives of Croatia have great problems with space as well. What are the long-term prospects in this regard?

[Answer] The Archives of Croatia are probably a unique instance in the entire world of having the central archives of a republic dispersed among eight different locations; now, we are preparing the ninth. What if, during these constant moves, there is a traffic accident and originals of inestimable value catch fire and burn? This material is not only a historical treasure, it is also a real one. In Yugoslavia as well, there is a well developed black market in original documents. Some medieval geographic maps, for example, cost over 100 million old dinars each, and we have eight thousand such maps in the Archives of Croatia! Treasures from our archives would arouse more interest in foreign markets than the Mimara collection would. How much do you think the materials of the Commission on War Crimes would fetch--just to have them destroyed?

During the seventies, our community undertook the obligation to erect a building for the Archives of Croatia, a university library, and museums in Split and Zadar. I do not understand why the museums were given priority. The foundations of the new Croatia are to be found in approximately 30,000 sheets published by the Anti-Fascist Council of National Liberation of Croatia. They are to be found in the Archives of Croatia. They are all printed on poor quality wartime paper. The gold objects in Zadar have lasted a thousand years, as have the stone monuments in Split. They could have waited another ten years. The paper in archives, on the other hand, is falling apart. Why were metal and stone given priority? In short, the issue of a new building for the Archives of Croatia cannot be resolved in the near future because of financial reasons.

[Question] Does this mean that the Archives of Croatia are not accepting documents from the post-war period?

[Answer] They are not accepting them because there is no room. As far as the future is concerned, we will have to be satisfied with what certain republic institutions and organizations are unprofessionally saving in their own Archives. In addition to the Archives of Croatia, the regional archives in Split and Zagreb are in an exceptionally difficult position.

[Question] Does this mean that presently there is no archive where the documents of some important organs of our republic could be preserved and studied?

[Answer] That is what it means, and this is something that is unique in the world. It could happen that we will have no written proof for a good portion of our history. We are trying to change this situation radically, because otherwise crucial parts of the history of our times will be based, for the most part, on press articles, memoirs, etc.

[Question] What would this mean from a scholarly/historical and cultural/educational point of view?

[Answer] It would be a crime toward the Croatian and Serbian nationalities and the national minorities in Croatia. There is no other name for it, because it is a well-known fact that what is not written down or preserved in some other fashion simply does not exist. We have the history of the Zrinskis and the Frankopans, of Viceroy Jelacic, of Stjepan Radic, and of their times. On the other hand, we will not have our own history, of our own times. For the most part, we will depend on memoirs and other types of secondary literature. In other words, there will be no scientifically based history of socialism in Croatia. We do, of course, have an idea where the most important documents are, because we keep track of the owners, but no one can guarantee that the material will not be destroyed.

[Question] Your colleague Vojmir Kljakovic has recently noted that Yugoslav historians have an incredibly passive attitude regarding penetrations by foreign scholars writing about Yugoslav topics, and also regarding statements made by our historians in other countries. How true is that?

[Answer] Not only are the historians passive, but the politicians, who are paid to monitor these things, are also passive. Consequently this is not only a scholarly problem, but above all a political one. For example, our historiography will never write as much about Istria, the Croatian Littoral, and Dalmatia as has been published in Italy, because we do not have as much money. A second problem is the fact that we do not translate even the most important works of our historiography into world languages. On the other hand, look at what the Bulgarians are doing in regard to Macedonia. Not a single important political or scholarly meeting takes place without the world-wide distribution of anti-Macedonian, and therefore also anti-Yugoslav, publications.

[Question] Closely connected with this is also the issue of the teaching of history in the schools and universities. It has been a long time since we have heard a historian voice even partial satisfaction over this.

[Answer] How could he! We are the only sovereign country in the world that permits a negative influence on the formation of the historical awareness of its young people. Such an awareness is developed through a systematic education at home and training provided by the society. Every state on the face of the earth somehow manages to indoctrinate its younger generation. We, on the other hand, permit such indoctrination to be performed chaotically, or even by proven enemies of our society! It is known that the interest in history most frequently manifests itself between the ages of 16 and 20, mostly among the males of the population. It is especially people of those ages that are taught the least amount of history in the schools. Instead of sound history, we have introduced a Marxist "catechism" which contains some history. Because of its mumbo-jumbo, it is at present the most hated subject in school. There should be a Marxist outlook to all the school subjects, and one should not have to be a "grind" who is interested only in the grade he gets. Darkness is setting in!

[Question] How can one explain and make up for the lack of some primary sources on the wartime period of our history. Recently, the press article which stated that some of the archives from Jasenovac, Kerestinec, Gradiska, etc. were thrown in the garbage dump came as a real shocker.

[Answer] Those were not archives from those death camps. The articles said that because the authors had scant historical knowledge. If by some chance there were archives from Jasenovac, it would be a unique case in the world. Complete archives from a concentration camp were never and nowhere found. On the contrary, everybody involved in mass crimes has tried to destroy such archives, so that there would be no written evidence of the crimes.

What happened? During the cleaning of the attics of two buildings belonging to the Zagreb medical school, approximately 10 glass plates with photographs ended up in the trash. We accepted this material and preserved it. It was immediately assumed that these were depictions of innocent victims. One should know, however, that the Ustasas themselves got even with each other in those camps. The only person in the photographs that we were able to identify was none other than Jurcic, the head of the Ustasa secret police, whose throat was slit after the Vokic-Lorkovic Ustasa putsch against Pavelic was discovered. Jurcic was certainly no innocent victim, which is what a part of the press told the public. In any event, the criminal Jurcic would have been shot after the liberation, as was his successor Lisak. The truth about these pictures was not told even after the case was explained in the Zagreb press and before the Council. On the contrary, a Belgrade newspaper has claimed for the third time that these "archives" were thrown away by the Archives of Croatia! Imagine such a lie: the republic Archives of Croatia throw away evidence of Ustasa crimes during the so-called Independent state of Croatia! It seems that they think that we archivists are insane. I have no other comment for the time being, unless this persistent and repeated peddling of lies is not something more serious, such as a deliberate attempt to incite the public ...

[Question] Still, do these plates have any historical significance?

[Answer] Of course they do, but certainly not for the preservation of revolutionary traditions; at least, not those bearing the likeness of the criminal Jurcic.

[Question] How do you explain the polemics of many years duration and the excitement especially in regard to the problems of the historical interpretation of Jasenovac and Kerestinec?

[Answer] Regarding Jasenovac, it is clear that the desire is to incite chauvinistic hatred, and there is no concern for the victims. For your information. I am an islander from Krk, and my feet are firmly planted on the ground. For that reason, my old proposal is a practical one. Why should not there be. in the area of Jasenovac, excavations done as part of youth work actions, including primarily medical and dental students from all of Yugoslavia? Bones and teeth do not decay, and thus it would be possible to arrive at a more accurate estimate of the number of victims. Judging from the most recent findings, the approximate number could be larger than that established by the official commission after the war. And before the war, who bothered, for example, to count all our Romes, for example?

The Kerestinec situation is somewhat different. Here, certain individuals are creating confusion because their consciences bother them. It is clear that some of them have failed, and the result is the destruction of a major portion of Croatia's intellectual patrimony. Tragedies like the one in Kerestinec, however, also happened elsewhere.

The case of Kerestinec is constantly being dragged out, because it deals with certain relations, as for example with the Komintern, and for that reason the problems are deliberately being exaggerated. Since similar doubts regarding the Party and the revolution in Croatia appear on a cyclical basis, one is forced to ask himself whether someone from the outside is directing all the confusion?

[Question] This brings us to the relationship between science and politics. It is certainly indisputable that politics is somehow interested in participating in the resolution of certain historical questions having a broad social significance.

[Answer] Here, one could paraphrase the idea that history is in reality the servant of politics. This is true of the totalitarian regimes. In Yugoslavia, however, this could not be the case. After the war, we had so many powerful historians who would not have permitted this. Who could force people like Grga Novak, Dragoslav Jankovic, Jaroslav Sidak, or Bogo Grafenauer to write against their convictions? It would be absurd even to consider this. We were fortunate because that old, honorable generation was strong, and it acquired a world-wide reputation and established the foundations of our historiography.

Today, there is no Yugoslav historian who is recognized as an authority worldwide. The problem has arisen with the second generation of historians, the group between the ages of 40 or 50 to which I too belong; we are used to the telephone, the television, the refrigerator, central heating, the automobile, and other blessings and "values" of the contemporary standard of living. Because of personal comfort, some of us are following the line of least resistance, and creating confusion in historiography. Most of them are doing this for financial, not political reasons. A book which "exposes" something, "pokes around" the entrails of the revolution, and causes condemnations and polemics is many times "profitable" than one which discusses the same problems in a calm and well documented manner.

There is something else here. On certain occasions, historians can help the politicians. On the other hand, leaving aside the matter of ensuring financial rewards, politicians really cannot help the historians. The events surrounding Djuretic's book prove that historians can help politicians a great deal. Even though that book scandalized the public and provoked the sharpest possible political condemnations, the historians are being very slow and coy about reviewing Djuretic's book in a negative light. Why? Certainly not because they support the rehabilitation of the Cetniks. This is certainly more than anything a matter of abusing the historian's profession. The historians had nothing to do with this. In other words, eminent scholars did not approve Djuretic's and similar books. Now, they are expected to deal energetically with other people's omissions which are mostly political in nature.

[Question] Speaking of historiographic enigmas, are there items in the Archives of Croatia that are not accessible to the eye of the historian, for either political or technical reasons?

[Answer] There are not. And why should there be? In accordance with the law, as director I refuse to grant access to the material only if I establish that the person requesting it is mentally disturbed. Furthermore, when I ask people why they are requesting certain documents, mostly from the time of war, I discover more and more frequently that they intend to do harm to somebody by distorting the contents of the documents. In such cases, I direct the person in question to the appeals process. It is interesting that thus far none of these "questionable" inquirers has filed an appeal.

[Question] Do the controversial books, to so-called "quarrel books," prove or disprove the existence of tabu topics in our recent history?

[Answer] These books only prove that their authors are not capable of being scholarly historians. When they are unable to solve a problem, they say that they are not allowed to write about it, or that they could not obtain the documents from the archives. I have personally ascertained that some, who had claimed not to have been able to obtain the material, had never requested it. This is easy to verify, because all users are required to sign the register, and there are no exceptions to this. These same so-called historians are saying that they were able to get all the more recent documents from English, German, or other foreign archives. It is natural that they were able to obtain information on Yugoslavia or, for that matter, on the Ivory Coast. Why should foreign archivists be concerned about this? Our "scholars," however, would have encountered quite a wall had they tried to obtain recent documents dealing with the country whose archives they were in.

[Question] How do you explain the fact that the present and the future of our society are nowadays viewed primarily through the past, in which is found "the root of all evil"?

[Answer] As far as human mentality is concerned, the times have not changed since antiquity. When the Roman empire was in a crisis, gladiator games were organized. The saying "bread and games" has remained valid to this day. In our crisis situations, we have pleasant events like Lepa Brena or unpleasant ones like Zjajo. There certainly are serious reasons. In a short period of time, everything imaginable has befallen Yugoslavia. First of all, we were hit with a major economic crisis, caused not only by the multinational companies but also by our own stupidity. Secondly, in a very short period of time persons who had achieved a great deal left the scene; they had been instrumental in creating a long, peaceful period after the war, and we had behaved as if they would be around forever, and we would just have to enjoy things. In short, we did not assume in time the responsibility for our own development. I also believe that certain foreign interests have woven their webs around us, and individuals not favorable to us have begun to make themselves heard. Some are like Dedijer, and are doing this for their own personal reasons, others, like Terzic, because of wounded vanity, while others still, like Kopinic, in order to pacify their own consciences. Also, some remnants of our enemies are clearly still around.

[Question] What, then, was the "scenario" of the introduction of confusion and "bad feelings" into our historiography?

[Answer] The present trends have begun as early as 20 years ago. They began by striking against relations between the nationalities, which is the easiest; Serbs against Croatians, Serbs against Albanians. In Serbia, the first to raise suspicions against certain nationalities and national minorities was Terzic; in Croatia it was Tudjman; and in Kosovo, Ali Hadri. This is roughly how it began. It was followed by Dedijer's attack against the very head of our community, Comrade Tito; naturally, Dedijer did this after Tito was gone. Then came Kopinic's attack against Koncar and others. We historians reacted sharply and en masse, but the books had appeared. There has also been an uncritical attempt to publish the work of the reactionary historian Slobodan Jovanovic, who, among other things, has been sentenced by a Yugoslav court. That was the purpose of Djuretic's book and of Petrovic's article in Knjizevne Novine. This was not enough, and the statement was made that foreign Hungarian fascist occupiers had played a positive role in Yugoslavia. Bela Teleki was the one to make this claim. This is almost the limit. And what will be the limit? In all probability, it will be the discovery that in reality, Germany had not occupied Yugoslavia. This is the only thing left to do to finally close the "black ring."

9110/0312
CSO: 2800/136

DELIVERIES OF EC 1026 COMPUTERS DISCUSSED

Prague VYBER INFORMACI in Czech No 3, 1985 pp 291-296

[Article by Bohumil Kubik, Office Equipment, Prague: "Deliveries of EC 1026 Computers"]

[Text] The EC 1026 computer system is a modernized version of the EC 1025 which has been in production since 1981. Because both systems have been described in the professional literature, we will refer only to their basic parameters and will focus instead on the problems experienced with the completion of peripheral devices, particularly disk storage units and terminals, i.e., equipment which is a limiting factor when the effective utilization of these systems is needed.

Both computers were developed by the Research Institute for Mathematical Machines in Prague, and they are a logical follow-up to the earlier EC 1021 system. They differ from it by belonging to the JSEP (Uniform System of Electronic Computers) Phase II type, having multiprogram capability, and having a 512 kB working memory with the ability to reach virtual addresses totaling up to 16 MB for each user. Their modular structure makes it possible to directly connect internal memories to the modules and transfer channels. The maximum capacity of internal disk storage is 400 MB. The communications module makes it possible to connect up to 16 synchronous lines, which allows for local and long-distance communications via alphanumeric terminals with other computers. Both types are supported by a highly effective disk-oriented DOS-3/EC operating system. These technical and program features make these computers suitable mainly for the automated control systems of enterprises and smaller economic production units.

The differences between the EC 1025 and EC 1026 lie mainly in the higher operating speed, energy efficiency and greater reliability of the working memory. It must be noted, however, that gradual innovation was such that the parameters characteristic of the new system were already present in all the EC 1025 computers since v.r. [possibly manufacturing year] 013.

Completion of the EC 1026 system by peripheral devices

In view of the need for impartial responsibility for the functional and operational reliability of an entire system, the principle of completion by the manufacturer is one that has always been maintained. These regulations, together with full functional delivery of the entire computer unit before it actually left the manufacturing plant, meant that supply and service organizations, as well as final users, could have a basic certainty that the equipment would operate properly because everything delivered had been functionally tested in its full computer configuration, up to and including the version of the basic programs.

For various reasons, however, it has recently been necessary to reassess these views and in some cases to deal with the completion of systems in a different manner. So far, this has been the case mostly for the magnetic disk storage units from Bulgaria, for terminal systems, and to some extent for EC 7039 printers.

Internal Memories

100 MB disk storage units

Except for a working model and two prototypes, the EC 1025/26 computers were completed by adding Bulgarian large capacity EC 5066 disk subsystems which were delivered in the following configuration: the EC 5667 control electronic recorder with two EC 5067.02 disk drives. Each EC 5067.02 unit contained two independent spindles for compiling 100 MB disk sets. The basic disadvantage of these memories was their low degree of operational reliability, manifested by frequent failures during which one or more floating heads and the established media were destroyed.

Despite these repeated disadvantages, it was necessary to continue to use these storage devices even though the disk module of the EC 1025/26 computers makes it technically feasible to attach other disk units, such as the American Memorex drive, used by the aforementioned prototypes and the working model, or the Soviet EC 5066 100 MB units. The completion of our manufacturing products by memories imported from NSZ [possibly nonsocialist countries] was not possible. Consideration was given to the use of the Soviet EC 5066, but that created too many problems, mainly because of the ongoing shortage of these memories on the domestic market. In the USSR, most of the production is intended for the completion of the EC 1045 computers, which are intended for the export market, while units for domestic sale use drive units imported from Bulgaria. Even a more rapid completion of the development and initial manufacturing of the Czechoslovak A 4080 100 MB disk storage units manufactured by the Aritma enterprise would be no instant solution, however, because even here we encounter a number of problems, mostly with the effort to manufacture heads.

Therefore, the only possible solution was to rapidly determine the main possible causes of the unreliability of the Bulgarian drives, hold meetings with representatives of the manufacturing plant in Stara Zagora, and exert pressure on the Bulgarian supplier to gradually eliminate these deficiencies. For this reason, two independent expert evaluations were conducted, one at the VUMS [Research Institute for Mathematical Machines] in Prague and the other at the Construction Department of the CVUT [Czech Technical University], using other specialized centers within the CVUT framework.

After several meetings, the Bulgarian manufacturer took certain steps to improve the operation of the disk storage units:

-- improvement of the control of the servosystem by making changes in plates 14 and 27;

-- changes in the closing system of the top lid;

-- increasing the density of the filters, which results inter alia in higher subpressure;

-- a new brake system for the spindles was introduced, using eddy currents;

-- extension of the startup procedure and improvement of output control.

These changes, in conjunction with regular checking of the environmental parameters, gasket condition, measuring the subpressure, and cleaning and testing the disk sets, will significantly increase the reliability of this system.

It is therefore necessary to count on future deliveries of the EC 5067.02 disk drive units from Bulgaria.

In order to increase production capabilities by doubling some equipment, since 1985 we have been ensuring the deliveries of individual EC 5067.02 units. A new aspect of the EC 1025/26 is the ability to increase the capacity of disk storage to up to a total of 800 MB on the basis of the upgraded design by engineer Helena Kvasilova of VUMS (Research Institute for Mathematical Machines) in Prague.

29 MB disk storage units

The EC 5061 29 MB disks from Bulgaria can be attached to the computer using the electronics of a disk module. This arrangement is already set up in the cables and it can be achieved by fitting 11 boards which can be ordered as a "bloc for extending the DSK module" for the purpose of attaching small disks. The delivery lag is approximately 15 months from the time of an order placed by the 31st of December. The disk units are delivered in 3-piece sets and a maximum of six units can be attached.

Tape memory

Ever since the manufacture of the EC 1025/26 began, the EC 5004 156 kB magnetic disk memories with double-density recording, manufactured by the Tesla Concern in Pardubice, have been available. The deliveries of EC 5004 can be counted on for the EC 1027 computer as well. The reliability of these storage devices, according to Tesla Pardubice, lies within the 500-hour average time confidence limit between failures. In recent years, the manufacturer has met all demand, and this trend is expected to continue.

Input and Output Devices

Peripheral input and output devices are usually attached using a standard interface of the JSEP type (uniform system of electronic computers) to the multiplex module (byte-multiplex channel). Altogether, a maximum of 10 control units can be attached. The exception to this is the console equipment, which can be attached to the service module. How easily obtainable these peripheral equipments are is shown in Table 1, which represents a realistic configuration of the EC 1026 computer at present.

The range of available peripherals has not changed for quite some time. One noteworthy development is the ending of the manufacture of the EC 6016 punchcard collector, and its replacement by a small reader, the EC 6012. This represents an acceleration of the move away from using the punchcard as a major data medium to the more modern data base using floppy disks. The EC 7902 punchcard unit is a similar case; its manufacturer has already announced the end of production in 1985. Another new development in this area is the EC 7240 type electrostatic speed printer being prepared for manufacture by the ZPA Kosire [Plant for Industrial Automation] enterprise, Jinonice branch. The printer is supposed to have 160 characters per line, 1,000 lines per minute speed, measures 700 x 540 x 325 [mm?], and weighs 75 kilograms. The output medium is dielectric paper P54/83. The preliminary price is Kcs 250,000 and the printer will be available by 1987.

Data Transfer Equipment

For data transfer, the EC 1025 and EC 1026 computers are equipped with a communications module (KOM) which serves as a multiplexer for data transfer. KOM has 16 synchronous lines to which equipment can be attached by means of modems. The data transfer is synchronous in the BSC protocol. The transfer codes are KOI 7, ASCII, DKOI. The transfer speed of all simultaneously working KOM lines can be a maximum of 96 kbits/sec. In some cases it is possible to do a so-called null modem connection to the terminal (EC 7915) using a special cable. The terminal must have the requisite synchronization frequency for this transfer. The speed here is limited by the maximum transfer speed of the KOM line and the length of the cable used. Considering the availability and quality of communications lines, a transfer speed of 1200 baud is most commonly used. For a local data transfer up to a maximum of 1,200 meters, it is possible to use the multiplex module, to which a control unit of the EC 7920-01 local terminal subsystem can be attached.

End equipment attachable to the KOM EC 1026

The technical means of the terminal systems basically make it possible for a larger number of operators to work with the computer at the installation site as well as at more remote work stations. Generally, these systems can be used for collection and processing of data, for conversation with the computer using the question and answer system, or as adjoining operator working station. Most of the end equipment available in Czechoslovakia is subsystems of the EC 7920 type terminal system. The following is available for the EC 1025 and EC 1026 computers:

-- EC 7920-01, a local group subsystem;

-- EC 7920-11, a remote group subsystem;

-- EC 7920-21, an independent remote subsystem;

-- EC 7915, an independent remote subsystem.

The EC 7920-01 local group subsystem

The subsystem is made up of the EC 7922-01 control unit, EC 7927-01 screen displays, EC 0101-1 keyboards, light pens and EC 7934-01 dot matrix printers.

The subsystem, imported from the USSR, has the basic configuration of one EC 7922-01, four EC 7927-01s, four EC 0101-1s, and two EC 7934-01s; the RJ EC 7922-01 is connected to the multiplex module (MEX) and is capable of a transfer speed of 200 kB/s.

The EC 7920-11 remote group subsystem

The technical parameters of this subsystem are identical to those of the EC 7920-01 subsystem. The only exception is a control unit labeled in the 7920-11 subsystem as the EC 7921-01.

The control unit can be attached to the KOM via modems and commuted or fixed telephone lines and is capable of a transfer speed of 4800 kbits/second. This subsystem is also imported from the USSR, for the most part with the EC 1045 computer configuration. Last year it was delivered to several users of the EC 1026 and, because of unsolved problems with the differences between the OS-6 and DOS-3 operating systems, further imports for EC 1025/26 computers were halted. However, imports should resume in 1986.

The EC 7920-21 independent remote subsystem

This subsystem consists of EC 7925-01 screen displays with control electronics, EC 0101-1-04 keyboards, and possibly EC 7934-02 printers. It is connected to the KOM via a synchronous modem and telecommunications line. The transfer speed is dependent mainly on the quality of the line used and, under ideal conditions, it reaches 9600 baud. As of yet, the equipment has not been manufactured in volume because of the shortage of production capacities, but working models have been run in national and international testing of the EC 1027 computer. This subsystem is replaced by importation of the EC 7915.

The EC 7915 independent remote subsystem

This subsystem consists of a screen display with a microprocessor based keyboard, and the DZM 180 printer or ROBOTRON 5211 printer can be attached to it. It is imported from Poland under the name META 7950. It is attached to the computer using modems with the CCIT V.24 interface for long-distance transfer or via a null modem using a multiwire cable for local applications. The maximum tested distance for the local transfer using null modem communication to the KOM is 1,300 meters at a speed of 9600 baud. In 1984, users of EC 1025s received 100 units of these terminals without printers. In 1985, deliveries of terminals with printers, and of printers only for the previously delivered terminals, are being considered.

Equipment for emulation of terminal subsystems

To cope with the difficulty of satisfying users' needs by imports of terminal subsystems, emulations of the EC 7920-11 or EC 7920-21 subsystems by the SMEP computer and PE 7920 program are being prepared. In this case, the SMEP computer functions as the control unit of the terminal subsystem, having the same technical functions, and it behaves outwardly as a dumb terminal. The advantage of this solution lies mainly in the replacement of the EC 7927 and CM 7202 displays, which are difficult to obtain. The disadvantage is that the emulator cannot replace all the functions of the terminal subsystem even though the collection and preprocessing of data, writing of programs and conversation are possible. A further disadvantage is the difficulty in obtaining the EC 7202 display.

In the course of the international testing of the EC 1027 computer, there was an unofficial exhibition of communications between EC 1027 and an emulated EC 7920 system on the basis of the ADT 4500.1/2. The availability of this equipment is assumed by 1986-87.

Additional Prepared or Available End Equipment

EC 8576 communications terminal

This terminal is the top line model for devices for data collection onto a floppy disk. Data is input using keyboards and optical controls on the displays. The recording on the floppy disks can also be checked by a program. The terminal has a memory of 32 kB or 48 kB and the C 2111.01 printer.

In a data preparation system, this terminal has the function of the C 2712 nonportable workstation with printer. In the free program system, it makes it possible to introduce a translator and a translation with error indication. The finished program or data can be transferred using MDS 1200 S2 modems and telephone lines, at a speed of 1200 or 600 baud. The transfer is of the synchronous semiduplex type. A limited number of EC 9114s is ensured for the completion of EC 1026 computers in 1985.

IT 10 smart terminal

This unit consists of the portable M3T 300.1 computer, to which, using adapters, the basic peripherals can be attached. Data transfer using modems and telephone lines in the BSC protocol to the EC 1025 through EC 1027 computers is supported by the KOKUO conversation communication program.

Basic parameters:

-- 16-bit microprogram processor

-- working memory of 24 kbytes

-- display unit with 256 characters

-- contactless keyboard

-- magnetic card memory (1 card 2 x 512 kbytes).

Changeable adapters:

-- DP FS 1503 or FS 751 A/M reader

-- DP DT 105.S or R 1215 puncher

-- DZM 180 or C 2111 printers

-- M3T memory with flexible disk

-- IMS 2 collectors

-- synchronous or asynchronous data transfer on the CCITT V.24 or IRPS interface

-- time generator.

Availability: Immediate deliveries.

IT 20 (M3T 320) smart terminal

Functionally connects to the IT 10.

Preliminary technical parameters:

-- 16-bit microprogram controlled processor

-- system of instructions similar to the ADT line

-- working memory of 64kB, EPROM 64 kB

-- display unit for 1,920 characters

-- contactless keyboard

-- cassette tape memory of 150 kB per cassette.

Changeable adapters make it possible to connect the peripherals of the IT 10 system and the R 1152, 1156, 1157 printers, the CM 7202 display and the BAK 5 T recorder.

Deliveries of this terminal are expected to begin in 1986.

Table 1

JSEP type	Name of equipment	Attached to	Availability	Maximum attached
79Mi	Alphanumeric operator display	SRM	Mandatory equipment	1
EC 7934	Console dot printer	SRM	Mandatory equipment	1
EC 0101	Contactless keyboard	SRM	Mandatory equipment	1
EC 5074	Floppy disk drive	SRM	Mandatory equipment	2
EC 6112	Portable card reader	SRM	Good	1
EC 5075	Disk input/output unit	MPX	Good	n
EC 7092	Punchcard unit	MPX	15 months	n
EC 7039	Chain line printer	MPX	Limited. Maximum of 2 computer units +++	n
EC 7054 M	Drawing table	MPX	Very limited	n
EC 5667	Electronics for control of recording	DSK	Mandatory equipment. 1 unit	1
EC 5067.02	Disk memory 2x100 MB	EC 5667	Mandatory equipment. 2 units. +	2
EC 5061	Disk memory 1x29 MB	DSK	15 months	6
EC 5004	Tape memory	PSK	Good	6
EC 7915	Alphanumeric terminal	KOM	15 months ++	N
EC 7920.01	Local terminal subsystem	MPX	15 months ++	n
EC 7920-11	Remote terminal subsystem	KOM	15 months ++	N

+ For deliveries, delivery time is a minimum of 15 months.
n Up to 10 control units for MPX.
++ Delivery possibilities are limited and are dependent on import quotas in individual years.
N Depends on number of synchronous lines of KOM.
+++ Beginning in 1985, the EC 7039 printers will be replaced by the EC 7033 printers from Poland.

12993/12859
CSO: 2402/3

LONG-TERM ELECTRONIZATION VIEWED

Prague VYBER INFORMACI in Czech No 3, 1985 pp 309-313

[Text] In Resolutions Nos 3/1983 and 32/1984 of the Presidium of the Czechoslovak Government, it was decided to set up a national program of electronization of the Czechoslovak national economy. The program was based on sectoral electronization projects for six selected key sectors (Federal Ministry of Metallurgy and Heavy Machine Industries, Federal Ministry of General Machine Industries, Federal Ministry of Electrotechnical Industry, Federal Ministry of Communications, Federal Ministry of Transportation and Federal Ministry of Agriculture and Nutrition). The program includes the material and technical efforts to ensure not only the development of electronization, but also its application, during the years of the Eighth and Ninth Five-Year Plans (1986-1995). The implications of this program are reflected in State Goal Programs (SCPs), particularly A 07, Material and Technical Basis for Electronization, and A 08, Prevailing Applications of Electronics. At the present time, this complex long-term electronization program is already being moved forward on the basis of Decision No 253/1984 of the Government of the CSSR, mainly by the fulfillment of the tasis of both of the above-stated State Goal Programs.

Material and Technical Basis for Electronization

This State Goal Program is composed of two main parts (subprograms): the first covers the spare parts base and technological equipment (subject 372, semiconducting components; subject 373, microelectronic integrated circuits; and part of subject 516, a special equipment for electronics) and the second consists of technical means for control and automation (subject 403, equipment for data processing; and subject 405, equipment for automated regulation and control).

Inclusion of these subjects into the new A 07 State Goal Program (SCP) is supported by the experiences gained in the course of fulfilling the State Goal Program during the years of the Seventh 5-Year Plan. The targeted production volume of the electrotechnical industry will be achieved in full when this industry will, during the Eighth 5-Year Plan, be developing as proposed in the approach for this area, i.e., Federal Ministry of Electrotechnical industry. This is also true as regards the other fields and manufacturing areas, such as high efficiency converters, pneumatic components, special electric drives, equipment for information transfer, cables and conductors. The main goals and intentions of the new approach under this State Goal Program are as follows:

-- to better meet the needs of the national economy by making structural changes within the Czechoslovak electrotechnical industry and by further extending international cooperation with the USSR and other countries in the Council for Mutual Economic Assistance;

-- to better the usable value of products, and to improve the evaluation of raw materials and energy needed for their manufacture, particularly by speeding up technical innovations;

-- to increase work productivity by a factor of about 3 by 1995 in the area of electrotechnology, mostly by significantly increasing current manufacturing capacities and volumes for one-purpose technical equipment (to 10 to 15 times the present levels);

-- during the years of the Eighth 5-Year Plan, to achieve a significant decrease in prices of mostly electronic parts, to a third of the 1983 level, and thereby significantly reduce the prices of final electronic products.

The demands placed on technical development in the electronic fields result from the need to innovate a broad range of parts; within the 3- to 5-year cycle of innovations, this demands that several thousand production and technological tasks find solutions. It is largely a question of developing microelectronic components with a high degree of integration, of developments in progressive technology and slected technological equipment, significantly increasing work productivity in the production and testing of working parts, and increasing their reliability and service life. Complex computer technology will be used in designing, manufacturing and testing new semiconducting parts. The key technologies are the following:

-- isoplanary and I^3L in the area of bipolar integrated circuits;

-- the CMOS, HMOS II and NMOS technologies for unipolar circuits with high integration density;

-- integrated circuits using gallium arsenide;

-- working parts of optico-electric transmission systems.

Successful results lie within reach of the researchers working for the Tesla Electronic Parts Enterprise in Roznov, the A.S. Popov Institute Tesla VUST [Research Institute for Communications Technology] in Prague, and the VUMA Research-Production unit in Nove Mesto nad Vahom. Their work concerns mainly automation for the assembly of electrotechnical products, measuring and testing technology, research and development of laser technology equipment, and industrial lasers for use in microelectronics.

The second part of the A 07 Goal Program is made up of technical means for control and automation, an area where the prospective product range continues to be based on the nomenclature equipment for the JSEP (Basic Electronic Computer System) and SMEP (Small Electronic Computer System). In the category of medium and large computer systems, the EC 1027 system will be supplied and developed in the following manner:

System	EC 1027-4	EC 1027-8	EC 1027-12
Initial year of production	1985	1985	1988
Working memory in MB	2	2-4	4-16
Speed (thousand operations per second)	350-400	700-800	1600

In the category of minicomputer systems, the SM 52 system will be supplied and developed as follows:

System	SM 52/11	SM 52/12
Byte length (bits)	16	32
Working memory (MB)	0.256-2	2
Speed (thousand operations per second)	700	1300

The SM 50 microcomputer systems are being developed in an 8-bit version (on the basis of the equivalent of the INTEL 8080) and in a 16-bit version (on the basis of the INTEL 8086). When needed for quicker and more efficient applications, these will be carried out on the basis of two to four-bit cross-sections with the equivalent of the INTEL 3000 and AMD 2900 microprocessors. A uniform base for microprocessor parts makes it possible to use common program equipment. In developing these microcomputer systems, there will be space left for the user so that they can be improved upon, as users will have at their disposal all that is needed--technical means as well as developmental systems--for program writing, as well as microprocessors.

The development of the production of peripheral equipment focuses on the complex program of internal magnetic storage, the screen program including graphic terminals, as well as printing devices (chain, electrostatic and dot matrix) and the equipment for graphic input and output, digitizers, digigraphs, tabloids and graphics stations.

The main goal for further development of basic and functional program equipment is to decrease the distance between the computer system and its user in such a way that the user can utilize the system without having to go through the specialized programmer. That will decrease the demands on the compiling of data and will slow down the growth of the number of specialists operating the computer systems.

In the case of control and automation technology, research, development and production will be focused on means for obtaining information from the control center (readers for industrial operation facilities, sensors and readers for heat pumps). There will also be a focus on means for processing and storing information and on the connection between the control center and the operator. It will involve the entire network of transfers of input and output signals for centralized systems as well as decentralized systems, but also systems for laboratory, telemetric, and telemechanical uses. Also covered are systems with increased reliability, such as communications and control units with reserves, a chosing unit with autodiagnosis, microcomputer control and regulation units, industrial transmission collecting units for decentralized control systems having a hierarchical structure, spark safety systems, systems for the utilization of information that would affect the controlled unit, as well as rotary, lever and draw power drives based on the new power drive and power drives used in robotics up to the efficiency of 300 watts.

The control systems for production machines will be made uniform in terms of size as well as function while improving them technically, making it possible to successfully export machines and equipment. This will entail the development of a basic generation of microelectronic systems for the control of other types of machines, as well as making structure and systems uniform while utilizing domestic materials and components (including imports from member countries of the Council for Mutual Economic Assistance), which would make the process of manufacturing control systems as well as machines and equipment in the final manufacturing process more economical.

Within the framework of this State Goal Program (A 07), suggestions based on the tasks of the State Plan for Technical Development have already been prepared.

Let us highlight the main ones:

Prospective higher generation computer system research (third generation interactive systems, SMEP computer systems, hierarchical control systems, and distributed systems for the control of technological processes).

Development of components of the JSEP multiprocessor computer system (basic elements and junctions based on block fields, new peripheral equipment which can be used for present as well as new computer systems, as well as a universal DOS 5/EC operating system with a transfer possibility to the higher OS/EC systems).

Development of the JSEP multiprocessor computer system (with the efficiency of 2.5 Mbyte/s, block fields type).

Automation of projection and construction works (a complex of methods and devices for the automation of projection as it relates to the production process, functionally structured distribution systems with an emphasis on interactive graphics using Czechoslovak parts and production bases).

Automation mechanisms for ASRTP [ASR = automated control system] (this involves the design of control systems, technology and construction, means for obtaining information, means for processing information and the connection of the operator with the process and the system, as well as the means for utilization of the information and application methods).

Development of modules for technology automation systems (technological, assembly and testing modules which would increase productivity by at least 50 percent).

Technology for training facilities for the VVER 1000 MW nuclear power plants (here, the importance lies not just in the training facility itself, but in how well the facility is equipped in terms of programs for the training of personnel working in the first Czechoslovak 1000 MW nuclear power plant in Temelin).

Research and development of control systems for manufacturing machines (improving the technological standard of the systems for machine tool units and other machines and equipment, their system unification, placing special importance on savings of foreign exchange, savings of material, energy and labor, while increasing work productivity. Simultaneously with the solving of these tasks of the State Plan for Technical Development, those groups of products and technological equipment which leave no room for modern microprocessor technology should be gradually phased out. Groups in which the opposite is true will be used in the development of fields which are contained in the A 07 state program).

Pioneer Application of Electronics

This State Goal Program is the result of a long-term complex program of electronization of the Czechoslovak national economy, and is divided into seven pioneering application areas.

1. Control of technological production processes (continuous and interrupted): ability for control modification, the development of control algorithms, a component of operation systems and hardware structures, easy upgrade to higher control systems, the increase of the ability to transfer the application program equipment to other control systems. By 1990, individual areas are supposed to be finished with 2,490 systems.

In addition to the development in significant individual fields of machine and metallurgy production, the control system for mining transportation in the Darkov mine, the safety control for a nuclear power plant, a gas works system, a farm for second generation milk cows with an automated control of technological lines, automated data collection and processing using a computer, dispatching equipment in the construction industry, systems for the control and regulation of growth conditions for timber in the timber industry, hydrometeorology and water purification, the control of hydrothermic processes in the chemical and consumer industry, and the control of the manufacture of chemical fibers using the newly developed technologies, are among the more interesting control systems.

2. The control of nonmanufacturing processes in individual nonmanufacturing fields should by 1990 include 2,890 systems. Here we are talking about the systems for the automated control of trains, the automation of grade crossings, railway safety equipment, telephone exchanges, electricity wire placements in large cities, television using satellite signals; in the area of the control of city transportation systems: Czechoslovak bus transportation, ticket reservation and sale, weather reports on road conditions; in the area of finance: the control of teller operations in banks, a terminal net for banks and credit

unions in connection with a central office; in the business area: marketing systems using samples, and hotel and restaurant reservations; in the educational field: systems for lesson control, specialized learning centers and laboratories; in health services: systems for control of the diagnosis, healing and nursing processes, and in hospitals and health clinics, the control of registers of massive noninfectious diseases; in the area of geodesy and cartography: control systems for data input and output on microfiches, a dialogue method for formation of geodetic centers, automatic registration of measured data; in the housing economy: the automation of measuring, regulation and billing systems for the use of warm water inside apartment buildings as well as individual houses; in the meteorological area: a cybernetic information system for control and periodic checking of the quality of the atmosphere and hydrosphere.

3. The automation of construction, planning and program projects. Here, each individual area is supposed to be finished by 1995, with 395 systems.

This will involve projection systems in electrotechnology, microelectronic circuits, the automation of high integration circuits for customers and partial customers, draft documentation in metallurgy and the machine tool industry, the establishment of Czechoslovak-Soviet CAD/CAM work centering on the machine tool industry, as well as CAD/CAM on a single theme in certain complementary fields (bearings, rotary and flange-mounted parts, robots, etc.; certain types of projects which use computer graphics and the management of certain types of construction projects).

4. The automation of machines, instruments and equipment. This area is also a large program, including 6,050 systems by 1990. Among the areas involved, for example, will be systems to automate telephone exchanges, medical instruments, laboratory systems, equipment for the clinical environment; automation of industrial furnaces, locomotives, rolling stock, foundries, diagnostics, train systems, drying facilities, CNC systems, machines and equipment for various fields and areas of industrial manufacturing; in the fuel and energy field, it is automation of surface mining equipment in accordance with the safety systems in the mining industry; in other fields, it is automated measuring systems, control and diagnostic systems for mechanical textile machines, and interactive technological and design complexes.

5. The control of organizations. In this area, by 1990 the central authorities with a general role and central authorities with specialized roles are supposed to introduce a large number of automated control systems (ASR P, automatic control system for enterprises; ASR SC, automated control system for centralized control units).

The interesting systems in this area are, among others, local networks for the automation of production and nonproduction activities, distributed commercial dialogue system based on local networks using SMEP, system of pioneer and application programs of personal computers, the utilization of computer technology in view of long-term automation, electronization and robotization.

6. Products and equipment for personal uses. In this area, a 1990 target of a certain number of units was established. For example, 1,215,000 nonportable and 200,000 portable color television sets, 40,300 video recorders, 400,000 digital turntables, 1,840,000 personal computers, 1,632,000 new generation radios, 500,000 automobile radios, 23,500 tape decks and 40,000 CD players.

In the machine consumer products industry, innovation will affect 30 percent of the production of electric ranges and electronic programmers will be applied in heat storage stoves, innovation will affect 30 to 50 percent of refrigerators and freezers by using optical and sound signals and the mode control, while there will be 5-10 percent automation of automatic washers using a programmer, and the installation of wash temperature controls in 50 percent of washers.

Industrial enterprises of the Ministry of Industry of the Czech Socialist Republic and the Ministry of Industry of the Slovak Socialist Republic should be manufacturing electronic musical instruments, furniture and electronic furniture systems, toys and electronic sports equipment, valued at Kcs 150 million.

In the cultural area, innovation will affect analog records, magnetic tapes, digital records and video tapes.

The manufacturing cooperatives will increase the value of electronic products to up to Kcs 45-50 million per year (electronic musical toys and musical instruments).

7. The technological basis for the production of electronic systems applies exclusively to the FMEP (Federal Ministry for the Electrotechnical Industry), where by 1990 some 5,000 technological systems will be manufactured, as well as measuring and testing devices and equipment for diagnosis, and specialized equipment to increase the volume of production of merchandise at the VHJ ZAVT (Economic Production Unit and Automation and Computer Technology Plant).

It is assumed that each organization, production enterprise, plant, research institute and service organization will be working to implement this demanding program in several stages. The first stage (preparatory) should deal with the training of leading workers and working out the actual electronization program; the second stage should ensure the material, technical, personnel and organizational conditions required to make this program a success; while the third stage is that of actual application of the program, whether by using their own means or other types of application systems.

All organizations of production and research work centers have at their disposal specialized business and technological organizations such as Tesla Eltos, Office Equipment and Data Systems, which ensure, in addition to training and preparation of workers with individual specializations, the supply of materials and means of computer technology, including programs, documentation and concrete applications. At the present time, the discussion is no longer whether we should or have to electronize, or why and where to do so; instead, the main emphasis is placed on how to electronize. These tasks are also not to be understood in a technocratic way as a matter only for computer technology and microelectronics, because this entire problem requires a suitable social climate, and it must be looked upon as a program where the main tasks in the future will be adjusted in such a way as to fulfill a strategic goal, namely the qualitative change of the production forces in our society.

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SOCIOLOGY YUGOSLAVIA

INFLUENCE OF RELIGION AMONG ALBANIANS IN KOSOVO

Belgrade BORBA in Serbo-Croatian 14-15 Dec 85 p 10

[Article by Mirko Mlakar: "Religion in Troubled Waters"]

[Text] It is understandable why every piece on Kosovo gives inter-nationality relations first priority. But the people are not just Serbs, Montenegrins, Albanians or Turks...there are also Moslims, Serbian Orthodox Catholics, Roman Catholics, atheists, and a few Baptists and Adventists. The Kosovo dailies write very little about this because there are not enough journalists qualified to continuously "cover" the social questions of religion. What's more, religion in Kosovo, like many other sociological so-called phenomena, is not a field of systematic study of any of our scholars.

The majority of Albanians are Moslims, as far as we know there are no Serbian Orthodox Albanians in Yugoslavia, but there are parts of Kosovo where Roman Catholicism is very evident. Such is the case in Binac, in the Vitina opstina, where there are virtually no Moslim Albanians. (By the way, there are also two Catholic parishes in that community.) Mohammedans often do not acknowledge Catholics as "true" Albanians. Previously, it was easy to tell them apart by their last names. For example, the Albanians who early on embraced Christianity converted to Islam with the arrival of the Turks, thus their first and last names became Turkish-Arabic (i.e., Emin or Mehmet), with only a few of them holding on to their old names (Pieter or Djon). Today this is relatively important, even though, for example, the Shirokas continue to be predominantly Catholic. In remote areas, differences can still be noted in dress and general life style. If we were to generalize, Moslims to a greater extent are engaged in pastry-making, and Catholics will filigree jewelry and similar crafts.

The others' souls are watched over by the 20 Albanian priests who fall under the Skopje-Prizren bishopric. For 16 years they have been publishing the religious-cultural review "Drita." In addition to the 112 issues published to date, this journal also does something for the younger generation; because religious literature is scarce (the New Testament, etc.), they are working on enriching it, by translations, etc., a similar predicament to what the Moslims are going through.

It seems that the Roman Catholic Church is the most imaginative in finding efficient ways to interact with its believers: it successfully organizes excursions, athletic and cultural-social life, and free time in general, in particular that of the young. But in this Church as well, even though it is known for its monolithic ways, there are differences among the clergy. Thus in Janjevo and Prelepnica, tension can be noticed between the priests who pronounce the rites in Albanian and those who "receive" in Serbo-Croatian.

Prizren Crossing

The Supreme Authority of the Islamic religious community for the Socialist Republic (SR) of Serbia is found in the capital of the Province. The highest mufti religious district (muftijstvo) (a mufti is roughly comparable to a bishop in christianity) is in Pristina, which also oversees five more councils of the Islamic community (Titova Mitrovica, Srbica, Glogovac, Podujevo, and Lipljan), and this includes over 100 mosques. The fact that two thirds of the 100 imams are poorly qualified (this situation also exists in other areas, not just in Kosovo), is addressed by the Alaudin medrese (Moslim religious high school); in this Pristina high school there are over 150 students. In addition, out of five Islamic papers in Yugoslavia, only one is in Albanian - "Edukate Islami."

Prizren is where Roman Catholicism, Serbian Orthodoxy and Islam most often meet. The seat of the Raska-Prizren bishop Pavao is in this city, as well as the Serbian Orthodox theological seminary (theological high school). The Islamic community oversees 21 mosques (no longer intended solely for the use of Pasha Sinan), and the council maintains 36 mosques and mescits (small mosques) from the surrounding villages. There are also a few tekkes (Moslem monasteries) in Prizren.

It could be said that in the Croatian, Serbian or Moslim case, the rule applies that no nationalism exists without clerico-nationalism. Thus, while we could say that the plans of the Croatian nationalists have to coincide with the petty-political designs of the irreconcilable right-wing of Catholicism, the "marriage" of Albanian nationalism with Islam is almost nonexistent. When H. Haimef Hadjiabdic, Reicul-Ulema, the supreme Islamic leader in Yugoslavia, met with President of the Commission for Relations with the Religious Communities, of the Executive Council of the Assembly of the Socialist Autonomus Republic (SAP) of Kosovo, Refik Agaj, they concluded that relations between the Islamic and socialist communities were good, and no intractable problems existed. That Agaj's words were not merely protocol, is substantiated by the fact that not a single imam, teacher or student at the medrece participated in the 1981 demonstrations. Not only did they not fall in with the counter-revolutionaries, but they contributed to attempts to resolve the "complicated situation."

Hoxha, the Temporal God

This cannot be dismissed as just faithfully following mohammed's instructions (among other reasons because love of one's homeland, tolerance and similar messages are found in other faiths); but taking everything into consideration, the fact is that if anything, the nationalist organizers based their activities upon the ideology of Enver Hohxa. In other words, every sincere irredentist is attempting to work for the annexation of Kosovo into Albania, which, as a true Stalinist country, has proclaimed itself the "first atheist state." Put simply, Hoxha and his successors have elevated themselves to the level of temporal and divine gods. There is no room for other gods under his regime, and the only religion not persecuted is the intoxicated cult of a "Great Albania!" This is where Albanian nationalists meet, and it looks like they will meet (when their ideological face, that is mask, is finally completely uncovered) with increasingly insurmountable difficulties. This is to say that the majority of Albanians are religious, and they will not happily exchange entry to a Greater Albanian false paradise for a rejection of their cherished faith.

The Albanians connect religion, which does not suit the irredenta either, with other Yugoslav nations and nationalities. But, there is another side to the coin. Specifically, the nationalities which make up the majority of the Islamic religious-cultural circle are in fact the most closed off, which brings up the fact that they could become even more so. Or, what does it mean when an Albanian Catholic enters into marriage with a Croat or a Slovene, but will not with a neighboring Serb, just because she is not of his religious persuation?

Consequently, the great degree of religious freedom in Yugoslavia, combined with the intolerance of irredentist entities toward anything religious, make it clear that any religious official who supports the insidious "annexation" of part of our country to Albania would in fact be working against himself and the interests of those of his faith. But this is no way implies that clergymen never work for "nationalist concerns." Just as there exist fundamentalists ("the Young Moslems") who support the idea of a religiously and ethnically "Pure Bosnia-Herzegovina," similar phenomena can be found in the Province. With this in mind, the intensity of the construction quarrels along the lines of: "If the Serbs (Serbian Orthodox Catholics) build a new church in Klokot, we'll build two mosques in the neighborhood - let them see who is boss here," is indicative.

Saudi "Concern"

Pressure on non-Albanian Moslems, known in the SR Macedonia as Banians, has been noted in western parts of Macedonia. The Supreme authority for the Islamic religious community for the SR Macedonia, the journal "Preporod" writes, "claims with satisfaction that not one religious official in its jurisdiction was involved in the hostile demonstrations, or in Albanian irredentism or nationalism, but, they say that these occurances have had certain repercussions within its jurisdiction."

Along the way, individual foreign journals present the suppression of Albanian nationalism as an *attack against Islam. To what extent this disinformation* goes can be shown with an example from "Ed-D'ava el-Islamija," a weekly published in Riyadh (Saudi Arabia). In a lengthy article entitled, "The Communists Reap a Moslem Harvest in Yugoslavia" (issue from 22 Sha'ban 1403 according to the hegira calendar, or 1 August 1983) which among other things states that in 1981 the Kosovo Moslems were seeking their civil rights, and that the Party sent tanks into the streets and killed thousands of Moslems! This respected paper's "accuracy" guarantees the statements that during Bajram 12,000 Moslems were murdered in the Great Mosque in Foca, more than 6,000 were slaughtered on the Gorazde bridge, still more in Macedonia, and on and on with similar lies.

In our "religious wars" people do not suffer - their remains do, specifically the Moslem clergy could stand to be a little more vocal in taking a stand against the barbaric acts occurring over graves or the vandalism to sacred objects in Serbian Orthodox churches. It has been noticed that, for maximum negative effect, the desecrators of the graves destroy the monuments on the eve of mass visits to cemetaries.

National divisions have been transmitted to religious relations: on the one hand Serbs and Montenegrins (mainly baptized Serbian Orthodox Catholics) and on the other hand Albanian (Moslems and baptized Roman Catholic "factions") continue in "troubled waters," or in the words of one report, "objective problems and weaknesses in the struggle for a stabilized situation are being misused." Those controlling the situation have noticed that some arms of the Serbian Orthodox Church have attempted to put themselves in partnerships with socio-political forces, and that this has resulted in an elevation of the Church to the position of a real legitimate representative of the interest of the imperiled Serbs and Montenegrins.

In the existing atmosphere in Kosovo, everything receives a different significance and higher specific weight. Thus, funerals have become less of a religious rite and more of a nationalist assembly which have significantly more non-religious people attending than before the counter-revolutionary demonstrations. In the same way games in the church-yard have grown into gatherings (not only of believers) of Serbs and Montenegrins. Or, when the Patriarch German and his Moscow colleagues Pimen and Gracanici arrived in Kosovo, 10,000 people greeted them. If it had been in healthier times, there certainly would not have been so many. In Belgrade, for example, the patriarchs were greeted by fewer than a thousand people.

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East Europe Report

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NEW FINANCING, TAX SYSTEM FOR FARMS APPROVED

Budapest FIGYELO in Hungarian No 47, 21 Nov 85 p 13

[Article by Mrs Aniko Nagy-Javorszky: "I Give Some, I Take Some"]

[Text] The income situation of agricultural enterprises has continuously deteriorated during the 1980s. The share withheld by the state steadily increased, and by 1984 it amounted to 17 billion forints. This necessitated the re-examination of the agricultural enterprises' operating conditions. The Council of Ministers has already accepted the new system of regulations which will come into effect in 1986.

Reduced Support

Until now, agricultural enterprises received financial support under three categories: in accordance with their investments, in order to increase their production, and for the purpose of obtaining production equipment. 70 percent of this support was for the increase of production; this figure was followed by the amount earmarked for the purchase of industrially manufactured production equipment. The least amount was devoted to enhance investments.

The amount of support gradually decreased: While in 1976 it covered 30 percent, in 1984 it paid for only 9 percent of investments. For example, the support of constructions was reduced by 49 percent, the subsidizing of machinery has been eliminated, and the amount of other types of support was increased by 9 percent.

In contrast to the support of investments, the amounts earmarked for the enhancement of production have more than doubled since 1976. Within this category, the enterprises operating under unfavorable conditions received 20 percent of the production support in 1976, and 28 percent in 1984.

Production support amounted to 7.4 percent of the gross production in the cooperatives, and 5.4 percent in the state farms. However, while the cooperatives' proportion has increased since 1976, the state farms' share decreased during the same period. The same trend can be observed in the proportion of the enterprises' achievements as well. In 1976 the amount of support per hectare of cropland and per employee doubled the amount given to the cooperatives. By 1984, however, the level of support received by the cooperatives significantly approached the state farms' level.

Pretexts of Taxation

In order to complete the picture, it should be pointed out that the support money earmarked for the purchase of manufactured capital equipment in fact ends up not in the hands of the producers but in those of the merchandising firms. In spite of this, this money is legally recorded under the category of assistance extended to agriculture. In a peculiar manner, while other types of subsidies and state withholdings apply only to the large agricultural enterprises, even the small producers are considered when it comes to indirect support.

Due to the withholding or reduction of indirect support, the cost of capital equipment has increased by 60 percent between 1976 and 1985. Support for purchasing small agricultural machinery has become insignificant, and that for pesticides has been reduced by 77 percent. On the other hand, the purchase of articial fertilizers received 31 percent more support. But this 31 percent increase did not balance out the 39 percent increase in the price of fertilizers, even though in 1984 the subsidies for fertilizer purchases made up 76 percent of all indirect support.

As for the amount withheld by the state, in 1984 agricultural enterprises paid taxes under the following pretexts: contribution to urban and community development; taxes on incomes and profits; taxes on the basis of income regulation and health insurance; production, construction, and building equipment taxes; taxes on the volume of sales and on real estate owned. In addition, they had to pay differential sales taxes, commercial taxes, one-time fees for the use of real estate, investment fees, and there were occasionally other non-normative budgetary requirements as well.

In 1976 withholdings equalled 13 percent, and in 1984, 15 percent of gross income, that is, one and a half and two times the amount of production results, respectively. In the case of the state farms, the amount of withholding per hectare of cropland, or per employee, was much higher as early as 1976, but especially in 1984, than the amount withheld from the cooperatives. State farms, whose cultivating practices are more intensive, paid 63 percent more taxes per hectare of cropland and 30 percent more per employee than the cooperatives.

Between 1976 and 1984 the total amount of withholding increased by two and a half times: somewhat more in the case of state farms, somewhat less in the case of cooperatives. Among the reasons it should be mentioned that, for example, since 1976 income taxes have doubled, while the tax base, gross income, has only increased by 79 percent. The amount of national health insurance contribution increased by three and a half times, while the figure upon which it is based, the amount of wages, grew by only 79 percent. Since 1976, the amount of insurance premiums was continuously higher than the amount paid out by the insurers, even in years of drought, hailstorms or floods.

It must be admitted that taxes on land have increased by only an insignificant amount, even though the area of arable land has decreased since 1976. Production taxes tripled, but income from auxiliary activities has also increased at a similar rate.

Sizeable Banking Costs

Among the various withholding items, the greatest growth--a 12-fold increase--was experienced by taxes connected with income regulations. (Until 1983, contribution to wage-development, income-growth, honorarium, and share taxes, and beginning with 1984 progressive profit, honorarium and share taxes.) In addition to this great increase, construction and building-equipment taxes grew four and a half-fold, and sales taxes two and a half-fold. Banking costs are more than two and a half times what they used to be.

In 1976 and 1984 alike, the largest withholding items were the profit taxes and the premiums on the national health insurance. In 1984 their combined total nearly amounted to half of the total withholdings. These proportions were identical in the case of state farms and cooperatives, but not the production taxes! In 1984 this amounted to 17 percent of the total withholdings in the cooperatives, but only 9 percent in the state farms. The explanation: State farms were more involved in food-processing activities, which enjoy tax-free status. On the other hand, their banking expenses are sizeable, representing 20 percent of their withholdings. This is due to the fact that state farms have larger parks of specific capital equipment, and a higher specific proportion of outstanding investment credits, while their larger holdings of current equipment are also burdened by more debt.

During the period between 1976 and 1985 agricultural enterprises operated under increasingly difficult conditions. The price of machinery, chemicals and energy supplies increased at a higher rate than the production cost of agricultural goods.

Changing Balance

During the nine years in question, the amount of support grew by 24 percent, while the total of budgetary and other withholdings increased two and a half-fold. In 1976 there were still 5.5 billion forints more in support than in withholdings. (However, if we do not take the indirect support enjoyed by the merchandising enterprises into consideration, the balance was already negative.) In contrast to this, last year the amount of withholdings exceeded that of support by 17 billion forints.

Agricultural enterprises attempted to make up for these burdens by increasing their participation in non-agricultural activities which are less equipment-demanding and at the same time bring more certain and quicker profits. They became more economy-minded in their handling of manufactured material and reduced their investments. The number of equipment items depreciated to zero has grown significantly.

The profits of agricultural enterprises grew by 79 percent between 1976 and 1985. However, the amount of profits pro-rated into costs was 11 fillers in 1976, and 1984 it was only 9 fillers, which indicates an 18 percent decrease.

Table I: The investment support extended to agricultural enterprises (in million forints)*

	1976	1984	1984 (%) 1976=100
Construction	2,113	1,137	53.8
Machinery	3,325	21	0.6
Other	926	1,005	108.5
Total	6,364	2,163	34.0
Per hectare of cropland (forints)	1,052	352	33.5
Per employee (1000 forints)	8.0	2.7	33.8
In percentage of investments	30.4	8.7	28.6

*Based on the data of the Central Statistical Office (KSH)

Table II: Production support extended to large agricultural enterprises (in million forints)*

	1976	1984	1984 (%) 1976=100
Total (including payments made by insurer and taxes withheld)	9,212	21,673	234.2
Within this: From budget	6,417	15,383	239.7
Within this: Earmarked for enterprises operating under unfavorable conditions	1,836	6,108	332.7
Per hectare of cropland (forints)	1,523	3,512	230.6
Per employee (forints)	11.6	26.4	227.6
In percentage of gross production	6.1	6.8	111.5
In percentage of production result	71.8	96.0	133.7

*Based on the data of the Central Statistical Office (KSH)

Table III: The indirect support of agriculture * (Current price in million forints)

	1976	1984	1984 (%) 1976=100
Total	9,113	6,959	76.4
Within this: purchase of small machinery, parts	1,794	138	7.7
: artificial fertilizer	4,023	5,259	130.7
: pesticides	2,843	644	22.7
: wool	291	724	248.8

*Based on the data of the Central Statistical Office (KSH)

Table IV: The obligations of agricultural enterprises * (million forints)

	1976	1984	1984 (%) 1976=100
Taxes on incomes & profits	3,560	7,613	213.8
Contribution to national health insurance program	3,842	13,934	362.8
Production tax	2,328	7,185	308.6
Other withholdings	4,033	7,810	193.7
Total	13,763	36,542	265.5
Total including banking costs & insurance premiums	19,181	47,459	247.4
Per hectare of cropland (forints)	3,171	7,724	243.6
Per employee (forints)	24.1	58.2	241.5
In percentage of gross production	12.7	15.0	118.1
In percentage of production result	149.4	211.3	141.4

*Based on the data of the Central Statistical Office (KSH)

Table V: The balance of support and withholdings (million forints)

	1976	1984	1984 (%) 1976=100
Investment support	6,364	2,163	34.0
Production support	9,212	21,573	234.2
Indirect support	9,113	6,959	76.4
Total support	24,689	30,695	124.3
Total withholdings	19,181	47,459	247.4
Balance difference	+5,508	-16,761	22,272

*Based on data of the Central Statistical Office (KSH)

12588
CSO: 2500/123

HUNGARY CONSIDERED AS ECONOMIC REFORM MODEL FOR USSR

Bonn EUROPA-ARCHIV in German No 4, 1984 pp 111-118

/Article by George Schoepflin, lecturer in East European Institutions, London School of Economics and at school of Slavonic and East European studies, London University: "The Capacity for Reform in Soviet Systems: Is Hungary a Model?"/

/Text/ One of the most stubborn myths of the seventies and eighties, diligently propagated by the Western press and abetted by the Budapest regime, is the myth of a liberal communist reform system in Hungary.

It is interesting enough to speculate as to why the West--both the media and public opinion (not to mention governments and financial circles)--feels the need to believe in the existence of at least one East European nation whose situation may be characterized as "reasonable" and "acceptable." The solution to this enigma may possibly be buried in some Western credo, e.g., guilt in the face of the West's inability to do anything about the continuing submission of Eastern Europe to the Soviet Union or belief in detente, based either on the desire for peace or simply on ignorance or the wish to be dazzled by the glitter of the Budapest boutiques. It is worth noting that Hungary is not the first country to benefit from this Western gullibility. For some time, Romania was the darling of the West until President Ceausescu succeeded in irreparably destroying the image of his country in the West. In the sixties, it was Czechoslovakia on which the West was about to pin its highest hopes. In the early seventies, Poland was in fashion for a brief period of time; but Gierek's failure put an end to that soon enough. There were even some who warmed up to the GDR--but those were the exception, i.e., people with authoritarian leanings or socialists who place a higher value on faith than on experience. Perhaps one day the time will come when this part will be assigned to Bulgaria or even Albania. There seem to be no limits to the spread of this pastime because it is based on a need to believe.

But in reality Hungary is entirely different from what these people would like it to be. To be sure, there are the bright lights and the elegant shops along Vaci utca and its environs; certainly there are traffic jams in Budapest and the food shops are filled with goods. But behind that facade there is a far more complex Hungarian reality and that reality is of immediate concern as we try to answer the following two questions: whether the Hungarian political system is (a) a communist reform system in the true sense of the word and (b) whether it may serve as a model for other Soviet-type systems.

Definition of Soviet-type System

First of all, we need to define the Soviet-type system. For the purposes of this article it may suffice to describe the major characteristics of such a system as follows: a closely knit political elite which is organized as a party (but in reality has nothing in common with political parties as we know them in the West) and whose primary goal is to concentrate power in their own hands--without permitting any other social organizations to function. This goal of holding on to power is of greater importance than legitimacy, social justice, performance, capital formation and economic rationality. Whenever the party's claim to absolute power has been threatened, it has responded with coercive measures without regard to the consequences.[1]

Below this elite, a partial modernization process has taken place--or at least the first stage of one. But insofar as it was successful, this process, too, amounted to a distortion of the needs and wants of the societies of Eastern Europe: since these countries had already gone the way of modernization prior to the communist takeover at least some of them were forced to regress to simpler, premodern conditions as a consequence of the power monopoly exercised by the communists. This was most evident in the case of Czechoslovakia which clearly went backward; but it also applies to a lesser degree to Hungary. In the pivotal areas of modernization, e.g., complexity, change and free choice, the Soviet-type systems have made very little headway.

Since the end of the Stalinist era, there has been a fundamental transformation in East European politics. Prior to de-Stalinization, the communist parties insisted on monolithic control which amounted to a virtual claim to control of all activities and initiatives of government and society; but subsequently the parties allowed certain unofficial, incipient and not yet institutionalized activities to take place outside their control which meant that the "leadership role of the party" did not include an unlimited monopoly over all activities and initiatives and that there might thus be some conflicts of interest (of a "nonantagonistic" nature) even in Soviet-type systems. There were some important consequences for Eastern Europe which arose from this new definition of the monopoly role. The individual was granted a great deal more freedom of choice, particularly with regard to economic issues. It led to a "de-ideologization" of major areas of intellectual life (e.g., since the one and only, all-encompassing Marxist-Leninist rationality no longer applied, there was nothing to prevent the use of Western technical rationality as for instance in the construction of bridges). This, in turn, provided the party with enough room to maneuver so as to redefine the kind of loyalty it expected of the intelligentsia along more liberal lines. On this basis, the majority of the intelligentsia--particularly the technical intelligentsia could be co-opted--a process which became known as the "changeover from Red to expert."[2]

This process also required the party to redefine its claim to legitimacy. While party rule during the Stalin era was justified in the name of the perfect, utopian society being built, legitimacy was justified in the name of the party's claim to the "monopoly of rationality and efficiency" once the period of de-Stalinization began. In all those cases where that claim did not turn out to be justified in practice, a healthy dose of nationalism was added.

Under normal conditions, i.e., if the party was not under too heavy pressure, this system worked well enough to guarantee a certain stability. But whenever party control grew weaker for one reason or another, it soon became apparent how narrow the base of party rule really was and that a large part of the population hoped for a radical change in power relationships in the direction of greater popular participation and a drastic reduction in the party's monopoly role. The past 30 years have also provided clarity regarding two other issues. One is that the popular goal of democratization remains unattainable as long as the Soviets and their satraps in East Europe remain resolved to prevent it. If there is one area in which these regimes continue to demonstrate a certain efficiency, then it is in their exercise of power, including coercion. Time and again, power has been displayed and used to shore up a Soviet-type system and to preserve its monopoly position to the greatest possible extent. But secondly, insofar as these societies have changed and have grown more complex, it has become more and more apparent that the absence of an institutionalized expression of interests; the generally prevailing informality; the continued power vacuum (resulting from the concentration of power) and the adherence to party hegemony vis-a-vis all comers throughout society--that all this has led to a political debacle which will be very difficult to repair.[3]

Kadar's Achievement

Viewed in this general context, Hungary has demonstrated relatively few signs of decay and has thus been earning special praise as /the/ country with a properly functioning Soviet-type system. The responsibility for it is largely ascribed to the slyness of the Hungarian leader, Janos Kadar, and his admirers quite openly speak of the Kadar model and of "Kadarization." The use of that particular term is doubtful at best, if it is meant to imply that it is a consciously applied reform strategy based on a clearly defined political program. The fact is that the Kadar regime's achievements are the result of a number of ad hoc measures, of experimentation guided by the vague desire to preserve a certain measure of popularity or to avoid the lack of popularity from which Kadar's predecessors in the early fifties suffered. In reality, the so-called Kadar model has passed through various stages of openness and isolation. But all throughout it was characterized by the leadership's lack of resolve as it tried to do justice to conflicting interests exemplified by the Soviet Union, its own party hardliners, the various economic and geographic interest groups and, in the final analysis, also by public opinion. The authentic Kadar style was in evidence only as regards the caution and empathy vis-a-vis the public with which the various shifts and maneuvers were carried out. This was the key element in the Kadar regime's exercise of power. Just as it has taken a very flexible approach to promoting its own point of view vis-a-vis Western journalis-s, it has with few exceptions demonstrated great skill in dealing with public opinion inside Hungary whenever political measures (e.g., price increases) were in the offing. As important as these questions of style may be--and one should not underestimate them--style still cannot substitute for policy. There have been instances in which greater weight was attached to the facade of "liberal" policies, e.g., in dealing with the opposition, than to actual substance.[4]

The mainstays of the Kadar system may be divided into four categories. First of all, there are the close ties to the Soviet Union; the readiness always to accept limitations prescribed by Moscow and conformity with the Soviet Union regarding all major issues of foreign policy. Secondly, there is the restriction of the party's power as a result of the failed revolution of 1956. That event and its aftershocks have left their mark both on Hungarian society and the party. In the late fifties, the population was once again terrorized and subjected to systematic pressure against the strong aspirations toward autonomy which had been aroused during the revolution. When its membership plummeted from 900,000 to 30,000 between September and December 1956, the party was faced by total destruction. The rebuilding of the party and the re-establishment of its position of power was tantamount to a renewed communist takeover. It was the third time (since 1919 and 1948) that the communists went through this experience. The upshot of all these developments is that certain unstated limits have been accepted as regards the exercise of power by the party and that the party makes an effort to proceed cautiously and to look for at least a minimum of popular support. Thus, a kind of unwritten agreement was reached the central feature of which is that both the party and the people have entered a basic commitment to support the Hungarian state even though both sides still cling to their different idea of what constitutes "Hungarian identity."

In some respects, the third factor has been the most important of all. Following the second stage of de-Stalinization in the late sixties, the Hungarian party came to the realization that its monolithic structure could no longer be reconciled with the requirements of modern society. Conflicts of interest were allowed to arise as long as they were not institutionalized. This caused some confusion for a time but it did offer the various competing social groups an opportunity to articulate their specific interests. But at the same time, the power of party was not severely affected by this. The secret of this system is that it asks of all the political participants that they exercise a certain measure of understanding and tolerance. What also contributed to the success of this system was its fourth pillar: the personal role played by Kadar himself. It has turned out that he is neither an egotist with megalomaniacal plans (such as Ceausescu or Gierek), nor a tyrant (such as Enver Hoxha), nor still a weak presidential figurehead (like Husak) but has tried to act like a cross between a first among equals and a humane father figure. His ranking position inside the party apparatus is not questioned although he has not been exercising it in a particularly dictatorial fashion. But when he throws his weight behind a change in policy, that change is accepted. This continuing accumulation of authority on Kadar's part has resulted in giving the system a personal cast. And that means that there is no way of institutionalizing his views and political practices--which would be difficult under any circumstances--and that the Kadar system will undergo profound change once he leaves the scene. This feature of the Kadar system became apparent during the course of the little-known events in 1972. At that time, Kadar, it seems, was just about ready to quit and did not reconsider his decision until his as yet unpublicized step caused the outbreak of a sharp struggle among the different cliques inside the party. One of the consequences of these events was recentralization of functions. One also had to look back in dismay at the lost years in the course which additional changes might have been instituted in the middle and late seventies.

The Party and the Social Groups

From the point of view of Hungarian society, the system is based on a variety of agreements with all of the major social groups. The intelligentsia was integrated into the system by virtue of the fact that the concept of political loyalty is not being interpreted as rigidly as in the fifties and that it has been given access to the outer circles of power and to material benefits. The system has worked well up to now and the Hungarians do not tire of pointing out that any alternative to their policies could only be worse. In view of the 1956 and post-1956 trauma, this attitude can easily be understood. The result was the emergence of a kind of "negative legitimacy" which permits the intelligentsia to criticize conditions within the limitations prescribed by the party and the party, for its part, was sensible enough to err on the side of permissiveness so as not to risk dissatisfaction. Paradoxically, this has created a situation where the intellectuals support the system as the "least undesirable" alternative.

In the workers' case, the agreement is somewhat different in the sense that it focuses primarily on economic issues. The party has accepted the premise that the workers have a right to a steadily rising standard of living--or at least one that is not drastically lowered; also, to social benefits, to full employment and the freedom from drudgery. At the same time, certain categories of workers are accorded preferential tratment without regard to their actual contribution to the economy, i.e., in reality without regard to the principle of equality which still is (at least now and again) part and parcel of official ideology. It is fairly certain that about one-fourth to one-fifth of the population lives below the poverty line.

Through the application of a flexible and successful system which has brought farm income in line with industrial earnings, the farmers have assumed the role of supplier of basic foodstuffs on behalf of the regime.[5] Once again, it is worthwhile to point to the nature of the system which is characterized by ad hoc decisions and informal acts. Nothing has been institutionalized and, within broadly defined parameters, everything can be rescinded. The party has made concessions but not granted rights which could be appealed in a court of law. Conversely, the political cost of taking back any of these concessions could turn out to be too high. When restrictions on the private plots of the farmers were announced in 1975 with a view to reducing their high income, a large number of farmers immediately stopped production altogether and threatened to cut off food supplies to the cities. The restrictions were hurriedly withdrawn.

The Success of the System

The success has become apparent in four specific areas. The matter of style has already been referred to. The way in which the party has conducted its relations with society; the care it has taken to adhere to formal procedures; the differentiation between political offenses and political mistakes and the relatively strong measures taken to combat corruption have all helped to preserve stability. This latter point is particularly noteworthy, since the regime was thereby able to avoid spectacular failures such as marred Gierek's years in power. Agricultural policy is generally viewed as a major success--and rightly so. This has been due partly to good luck and partly to good management. Ever since the mid-sixties, the party has accepted the fact that agriculture is part of the political landscape because this sector of the economy was collectivized and thus occupied its rightful place under socialism (as opposed to Polish agriculture). Under the circumstances, it was possible to demand greater investments in agriculture and a fairly effective agricultural lobby managed to make them stick. At the same time, the conditions under which the collectives had to operate were made more flexible than in industry so that enterprising managers of agricultural collectives were in a position to increase production. Equally, the members of the agricultural collectives were quietly permitted to work their private plots and even to use the collectives' equipment for that purpose. The limits on investments in private agriculture were sufficiently flexible to enable farmers to achieve high yields in foodstuffs and to sell them on free markets in the cities. This explains why Budapest is always well supplied with food at a time when other communist capitals regularly experience shortages.[6]

The third success story concerns the secondary economy tolerated by the party and the attempts to integrate some of the secondary activities into the primary (socialist) sector.[7] This has led to a number of consequences. It has provided the cities with a more or less adequate level of services which is something the socialist sector never manages to achieve for lack of flexibility, as is well known. It has directed the entrepreneurial talents and energies of a large part of the population toward self-enrichment (as opposed to political undertakings) and has provided the population with a cushion which helped soften the shock of the economic downturn of the late seventies and thus substantially expanded economic decisionmaking possibilities. But like so many things in Hungary, this free zone available to the secondary economy is unofficial and not institutionalized. For another thing, it results in additional inequities, since the different segments of the population do not have equal access to the secondary economy and their opportunities to profit from it are therefore not the same. It is particularly aggravating for the party that some of its most faithful adherents--the workers in heavy industry--come out worst in this system, since they do not have the necessary marketable skills and are therefore less than happy about the situation. It needs to be pointed out, however, that the smooth operation of the secondary economy cannot be celebrated as a triumph of party strategy. It did not develop the way it did on the basis of a conscious decision by the party but rather as a result of the recognition that it would be politically and economically unwise to place restrictions on it. This means that the party quietly accepted the fact that inequities could arise; that the officially proclaimed collective ethos was thereby jeopardized and--what is perhaps the worst of it--that two contrasting value systems now exist side by side: a private and a public one.[8]

Finally, the list of successes would also include the debate on reforms in 1982-83, which could be described as the most farreaching, officially sanctioned debate of its kind in any Soviet-type system since the "Prague Spring." In several of the contributions to this debate, the very nature of these systems was subjected to radical analysis and correspondingly radical proposals for change were submitted.[9]

At first glance, this looks like proof of the flexibility of the Hungarian party; but in fact it was merely a reaction to the imminent collapse of the country in 1982 and it is symptomatic of the real state of affairs that the debate achieved very few concrete results. Only the new election procedures could be considered a direct outgrowth of the debate. Since August-September 1983, far more orthodox statements have become the rule. Deputy Minister of Culture Deszo Toth has expressly warned of the dangers of overstepping the new boundaries outlined by the party.[10]

The applicability of the lessons learned from the Kadar system to other Soviet-type countries is therefore far more difficult than is generally thought. Too many of the positive aspects of this system are attributable to Hungarian peculiarities and the specific political management skills of the leadership under Kadar to transfer them to some other situation.[11] At best, the Kadar system might serve as an example for the fact that a Soviet system must not necessarily adhere to rigid, restrictive criteria but can be led with intelligence so as to achieve a certain measure of stability and popular approval. In this sense, "kadarized" Hungary might serve as a possible alternative and a sign of hope for reformers; but only a few of the present institutions are suitable for transfer to other countries. In every other East European nation it looks as if the local factors are strong enough to prevent any successful transplantation. In the GDR, for example, the leadership's fears brought on by a lack of legitimacy and the existence of an attractive German alternative in the West have combined to stifle any desire for experimentation for 20 years. In Czechoslovakia the situation is similar--the only difference being that there is discord among the leadership which is therefore afraid of all change; a legacy of 1968-69. The Bulgarian leadership, on the other hand, is successful enough in its own right to be impervious to any kind of experimentation. Poland, where many reformers inside the system are casting an envious eye on Hungary, is still living in a state of uncertainty which is characterized by disunity among the leaders and the elite generally and profound dissatisfaction among the people. In Romania, political and economic decay are so far advanced and the continued existence of the system is so much dependent on the inflated leadership of Ceausescu and his family while the use of force is so widespread that change on the basis of the Hungarian model is simply inconceivable. The Soviet Union, finally, differs in so many respects so radically from Hungary--in geographic size, social structure, traditional concentration of power and subservience to authority--that any application of the Hungarian experiment is unlikely to offer much chance of success.

All in all, the Kadar system in Hungary--as attractive as it may appear to Western commentators--has little to offer to other Soviet-type systems--all the more so, since its continued existence depends on far too many factors beyond the control of Hungarian society. If change ever comes to the nations of Eastern Europe, it will be the result of indigenous needs and traditions and not of the persuasiveness of foreign models.

FOOTNOTES

1. My definition of a Soviet-type system is based specifically on Jadwiga Staniszkis, "Martial Law in Poland," TELOS, No 54, Winter 1982/83, pp 87-100.

2. Marc Rakovski, "Toward an Eastern European Marxism," London, 1978.

3. I have dealt with political disintegration in East Europe in greater detail in "The Political Structure of Eastern Europe as a Factor in Interbloc Relations" in Karen Dawisha and Philip Hanson /eds/, "Soviet-East European Dilemmas: Coercion, Competition and Consent," London, 1981.

4. A detailed analysis of Hungary under Kadar is contained in Bennet Kovrig, "Communism in Hungary: From Kun to Kadar," Stanford, 1979 and Peter Toma and Ivan Volgyes, "Politics in Hungary," San Francisco, 1975.

5. This analysis is taken in part from Ferenc Feher, "Kadarism as the Model State of Khrushchevism," TELOS, No 40, Summer 1979, pp 19-40 and Istvan Kemeny, "Hol tart a tarsadalmi kompromisszum Magyar-oroszagon?" MAGYAR FUZETEK I, Paris, pp 21-46.

6. For an analysis of Hungarian agriculture and corresponding political strategies, see Stephen White, John Gardner and George Schopflin, "Communist Political Systems: An Introduction," London, 1982, pp 188-20. Also, Helmut Klocke, "Zur landlichen Struktur in Ungarn" /Agricultural Structure in Hungary/, OSTEUROPA, No 33:2, 1983, pp 145-152 and Tibor Kovacsy, "La liberte surveillee des paysans hongrois" /The Supervised Freedom of Hungarian Farmers/, L'ALTERNATIVE, No 20, January/February 1983, pp 26-30.

7. Janos Kenedi, "Do It Yourself: Hungary's Hidden Economy," London, 1981; Istvan R. Gabor and Peter Galasi, "A'masodik' gazdasag," Kozgazdasagi es Jogi, Budapest, 1981; Istvan Kemeny, "The Unregistered Economy in Hungary," SOVIET STUDIES, No 34:3, 1982, pp 349-366.

8. Ferenc Feher, Agens Heller and Gyorg Markus, "Dictatorship over Needs," Oxford, 1983; Kalman Kulcsar, "A mai magyar tarsadalom," Budapest, 1983.

9. Some other studies worth noting are: Tamas Bauer, "A masodik gazdasagi reform es a tulajdoniviszonyok," MOZGO VILAG, No 8:11, 1982, pp 23-44; Csaba Gombar, "Bukas vagy vereseg? Megjegyzesek a magyar reform politikumahoz," UJ FORRAS, No 15:8, 1983, pp 46-55; Sandor Lakos, "Politikai rendszerunk kerdesei," Budapest, 1983.

10. ELET ES IRODALOM, 23 Sep 83.

11. Cf arguments used by Mihaly Vajda in "The State and Socialism," London, 1981, pp 132-141.

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ECONOMY BULGARIA

FOREIGN TRADE DATA FOR NINE MONTH PERIOD IN 1985

Sofia IZNOS I VNOS in Bulgarian No 3, 1985 p 3

[Text] The participation of the Bulgarian People's Republic in the international division of labor is increasing steadily. In the first 9 months of 1985 the country's foreign trade totaled 19.6 billion foreign exchange leva, or 6.1 percent increase over the same period in 1984. During the first 9 months of the year goods worth 383.4 million FEL [Foreign Exchange Leva] were exported; imports totaled 746.6 million FEL more than during the comparable period in 1984.

The increase in trade is the result of the steadily increasing pace of trade with the socialist countries, the CEMA countries above all. The volume of reciprocal trade with this group of countries reached 15.0 billion FEL or 76.6 percent of the country's total trade. Bulgaria's main foreign trade partners were the USSR, with 11.3 billion FEL, followed by the GDR, 965.6 million FEL; Czechoslovakia, 839.4 million FEL; Poland, 734.9 million FEL, and others.

Our trade with the nonsocialist countries is also developing on a mutually profitable basis. In the first 9 months of this year trade with such countries exceeded 4.3 billion FEL, or 8.7 percent more than during the comparable period in 1984.

Compared with last year, our trade with developed capitalist countries increased significantly as follows: Italy, 43.3 percent; Greece, 35.6 percent; Great Britain, 23.9 percent; United States, 77.1 percent, and others.

Our trade relations with the developing countries are expanding dynamically. Trade with these countries exceeded 2.1 billion FEL, or a 9.1 percent increase compared with the first 9 months of 1984. During the first 9 months of this year the volume of trade was significant with the following countries: Libya, 734.6 million FEL; Algeria, 94.0 million FEL; Brazil, 71.5 million FEL; Egypt, 64.2 million FEL; India, 64.3 million FEL; Iraq, 232.0 million FEL; Iran, 216.0 million FEL; Turkey, 118.0 million FEL, and others.

The trend which was set during the 8th Five-Year Plan of steadily upgrading the share of highly processed commodities was clear also for the 9 months of 1985. The share of machines and equipment for industrial purposes totaled 51.7 percent of overall exports, as compared to 46.5 percent for the first 9 months of 1984. Fuels, mineral raw materials, metals, foodstuffs and industrial consumer goods (noncomestible) also accounted for a significant share of exported items.

The highest share of imported goods was that of fuels, mineral raw materials and metals, accounting for 48.2 percent, and machines and equipment for industrial purposes, 33.3 percent.

Compared with the same period in 1984, exports of a number of commodities were increased in the first 9 months of 1985, including drills, pumps, television relays, motor cars, electric meters, pressure gauges, tractors, T-V-shaped iron, and others. Compared with the first 9 months of 1984, exports of metal cutting machines, items produced by the electrical engineering industry, agricultural machinery, coke, coal, goods produced by the metallurgical industry, raw materials for light industry, consumer goods, and others, increased.

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SYSTEM OF CONSUMER GOODS SALES WITH FOREIGN CURRENCY REORGANIZED

Sofia POGLED in Bulgarian 16 Dec 85 p 10

[Information by Dimitur Dzhambazov, general director of the Korekom VTO [Foreign Trade Trust]: "At Korekom Starting with 1 January"]

> [Text] What changes will be made at Korekom? Will they affect the trade and economic foundations on which this foreign trade organization is built? Or will they apply exclusively to retail trade? A representative of the editors discussed these problems with Dimitur Dzhambazov, general director of the Korekom VTO.

Naturally, Korekom will remain a foreign trade organization of the Bulgarian Association for Tourism and Recreation, with its network of stores throughout the country. No other way would be possible. We are a tourist country with hospitably opened doors to millions of guests from abroad; furthermore, it would be unnatural for Bulgarian citizens to be unable to shop in Bulgaria using legitimately earned foreign currency. The general director emphasized that the changes are made necessary by the need to introduce better order in the work of foreign exchange stores, block illegal purchases and possibilities of obtaining unearned income using foreign exchange acquired through illegal deals by unconscientious citizens.

Starting with 1 January 1986 the right of exchanging up to $150 for coupons without proof of the origin of the currency will abolished. Bulgarian citizens will be able to pay for purchases from Korekom stores only withbank transfers or personal checks accompanied by a check card and an internal passport. The current coupons may be used until the end of 1986. As in the past, Bulgarian citizens will not be allowed to make purchases by paying cash in foreign currency.

Foreign citizens will use the separate foreign exchange stores which will be concentrated in tourist complexes, customs areas, hotels, and roadside institutions. Sales may be made against convertible currency in cash and presentation of a passport.

The system of imported goods will apply for goods purchased at foreign currency stores in the country, i.e., it will be forbidden to sell them to other individuals for the first three years after their purchase.

The sale of medicinal drugs with foreign exchange, so far under the charge of another trade organization, will be stopped as of 1 January. Henceforth no foreign exchange stores other than those of Korekom and the stores for personnel within the system of the Ministry of Transport, who travel abroad, will exist. The foreign exchange stores of Industrialimport, Mineralsuvenir, Valentina and Balkan will be closed down. Bulgarian economic organizations will be able to engage in trade in foreign exchange on a commission basis with the Korekom VTO.

Dimitur Dzhambazov reported that the Council of Ministers decree makes it incumbent upon the foreign trade organization to continue to improve the organization and forms of sale against foreign exchange by expanding trade based on catalogs, samples, etc. The network of stores will be reassessed and inefficient stores will be closed down.

It is clear that Korekom's trend of supplying goods and selling them in accordance with contemporary worldwide commercial experience will continue. Let us add more to the general director's statement by mentioning that in the opinion of representatives of companies with which this foreign trade organization maintains business relations, of late its flexible and able commercial approach has intensified. Changes in consumer demand are taken into consideration and global trends of price differentials among the various groups of goods are followed; seasonal price reductions and other methods are being applied.

Worth mentioning is the statement of the general director to the effect that the better the quality of the goods supplied to specific sectors in our market, the lower the sales volume of Korekom becomes. Without wishing Korekom any commercial failures, we would be happy to see more such cases and opportunities for comparison.

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SOVIET AMBASSADOR GREKOV DWELLS ON ECONOMIC COOPERATION

Sofia RABOTNICHESKO DELO in Bulgarian 2 Dec 85 pp 1,4

[Article by Leonid Grekov, Ambassador Extraordinary and Plenipotentiary of the USSR in the People's Republic of Bulgaria: "Course toward accelerated development", on the eve of the opening of Days of Soviet Science and Technology]

[Text] We are truly living at a historic and crucial time. The Soviet Union and the fraternal socialist countries have taken the strategic course of fundamental acceleration of socioeconomic development and of qualitative transformation of all aspects of life of society. We have taken a decisive course toward the innovative, toward all-round development of the creative initiative of millions, toward the bold search for the most effective ways for socialist management.

As the general secretary of the CC of the CPSU (Central Committee of the Communist Party of the Soviet Union), M.K. Gorbachev, emphasized at the April (1985) plenum of the CC of the CPSU, the tasks required for acceleration of scientific and technological progress are so pressing that we must act without losing time. The party links the fundamental acceleration of scientific and technological progress to the determined reorientation of investment and organizational policy, emphasizing the technological transformation of existing firms. The party is setting the task of transition from the evolutional perfection of existing technology and partial modernization of machinery and equipment to revolutionary changes that will guarantee transition toward principally new technological systems, based on the most up-to-date technology and guaranteeing the greatest efficiency.

In the further acceleration of the socioeconomic development of our country, we are attaching importance to improved planning, guaranteeing a balanced, complex development of the national economy, perfecting the system of state administration, introducing economic methods of management, developing and expanding socialist economic integration and all-round cooperation with the socialist countries.

Acceleration of scientific and technological progress encompasses a wide range of economic, organizational, social, administrative and other problems. It affects every element of the national economy of the USSR and every labor collective.

Resolution of the task of accelerated transformation of production is inconceivable without the accelerated development of machine building. In the draft of the Fundamental Directions of the Economic and Social Development of the USSR from 1986 through 1990, and for the period upto the year 2000, we plan first of all to guarantee the radical reconstruction and streamlined development of the machine building complex; above all, of manufacturing machinery, production of computer technology, toolmaking, and the electrotechnical and electronic industry. These sectors must develop 1.3 to 1.6 times faster than the average rates of development of machine building as a whole.

We have already begun to take concrete steps in this direction. The Central Committee of the CPSU and the Council of Ministers of the Soviet Union recently made a series of resolutions to accelerate the development of key sectors of machine building in the national economy, such as automation of production, rotor and rotor-conveyor belts, and the production and utilization of computer technology. These steps are designed to create new technological processes, including automated factories that work on so-called peopleless technology. In this way, the reorganization and reconstruction of the machine building complex will guarantee the technological improvement of the entire national economy in our country.

The CPSU attaches prime importance to the concentration of efforts of the fraternal socialist countries in the key directions of scientific and technological progress determined at the high-level economic conference of the member countries of CEMA (Council for Economic Mutual Assistance) held last year in Moscow. The scientific, technological and manufacturing potential of the member countries of CEMA will be concentrated in five directions that have been given priority: electronics, automation, atomic power, new materials and technology and biotechnology.

In keeping with the resolutions of the conference, we are now developing a complex program of scientific and technological progress in the fraternal countries upto the year 2000. In the Soviet Union, we consider this an important factor in fulfilling the strategic task of accelerating the socioeconomic development of the country and a great stride along the road toward further expansion of the process of integration between the countries of the socialist community.

Consolidating their efforts, our states have set themselves the task of taking the first places in the world for strategic directions, and this task is being fulfilled successfully. As M.C. Gorbachev said a few days ago to the deputies of the Supreme Soviet of the USSR, "in recent months, political and economic ties between the countries of the socialist community have been intensified and expanded. We have developed long-term programs for cooperation in the sphere of economics and scientific and technological progress. We have created a mechanism for specific, operational ties, and coordination of foreign policy has become closer. Meetings of the leaders of the fraternal countries in Moscow, Warsaw, Sofia and Prague were important phases on the road to further unification of the socialist community".

In resolving the issues of acceleration of socioeconomic development, there are great opportunities for further expanding multilateral and bilateral cooperation between the fraternal socialist countries. This is absolutely the case for scientific and technological cooperation between the USSR and the PRB (People's Republic of Bulgaria). At the February plenum of the CC of the BCP (Central Committee of the Bulgarian Communist Party) in 1985, it was emphasized that the scientific and technological revolution conforms most fully to contemporary social progress in the interests of socialism. "In the present conditions," emphasized Todor Zhivkov at the plenum "in bringing about a scientific and technological revolution, we shall build an advanced socialist society. And, conversely, by building advanced socialism here, we shall bring about a scientific and technological revolution." According to Todor Zhivkov's intention, that will provide the opportunity to make a breakthrough in the decisive sectors of the country's economy.

In the PRB, a positive experience has already been made in industrial production, agriculture, science and other spheres of public life. In recent years, extensive experiments have been made in the country to improve the economy, to introduce the economic approach and its mechanism in the sectors of material production and the non-productive sphere; serious work has been accomplished to improve the quality of production, the organization of labor and the economy of material resources, and to consolidate labor, technological and planning discipline on a contractual basis.

We have adopted the program developed for reorganization of planning and administration of the economy and other spheres of public life on the basis of scientific and technological progress.

In other words, the maturity of the economies of the Soviet Union and Bulgaria now demand persistent improvement of our cooperation based on the achievements of scientific and technological progress which, for its part, will assist in the accelerated socioeconomic development of the two countries. An important prerequisite for the further development of cooperation between the USSR and the PRB was the friendly greeting in fraternal Bulgaria of the General Secretary of the CC of the CPSU, M.C. Gorbachev. The leaders of our countries came to the conclusion that, at the present stage of development, we need "more effective, bolder and more flexible methods of cooperation". The first practical steps were taken at the time of the meeting. An intergovernmental agreement was signed to create two Bulgaro-Soviet scientific production companies in the sphere of machine building. On the basis of the integration of scientific production potential of our countries, we are planning the organization of joint, large-scale serial production of modern, highly productive manufacturing centers, GAPS [not further identified], robots and other scientifically based products.

At the meeting of the two leaders, it was remarked that the expansion of specialization and cooperation of production between the USSR and the PRB demands a constant high standard, excellent quality and reliability of production.

As we all know, many important initiatives have resulted from Bulgaro-Soviet scientific and technological cooperation, which later became very popular within CEMA. It was precisely in this way that the creation of joint Bulgaro-Soviet scientific collectives began, of which there are now more than ten. The application of complex, goal-oriented, programmed planning of scientific and technological ties began for the first time between our two countries. As has already been pointed out, for the first time in the practice of CEMA an agreement has been signed for the creation of two Bulgaro-Soviet scientific production companies. We are considering the possibility of building a series of such companies, including those based on joint common ownership. Essentially, such a stage of cooperation between our countries is beginning when its most important form becomes close integration based on direct integration of scientific, technological and production potential.

It is quite obvious that this direction of cooperation contains within it enormous opportunities both for intensifying and further expanding our economic ties, and for accelerating the development of science and technology in the two countries. In the following 5-year plan we shall develop jointly about 300 problems and topics, including 50 most important inter-sector problems of science and technology. Academicians in both countries have agreed upon seven complex goal-oriented programs of cooperation and 19 large-scale problems. A significant part of the subject-matter is directed toward the decisive increase in the quality and technical standard of products made in our countries based on specialization and cooperation.

Scientific and technological progress, cooperation in the sphere of science and technology have become today the mainstay of reciprocity between our countries, since they are conducive to the achievement of the highest world level of joint production. The Days of Soviet Science and Technology that open tomorrow in the PRB are dedicated to the discovery of new resources and opportunities for this cooperation.

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NUTRITIONAL DIET JUDGED UNSATISFACTORY

Sofia RABOTNICHESKO DELO in Bulgarian 2 Dec 85 p 5

[Article by Prof Khristo Khadzhinikolov: "A Costly Profit: Meatless Dishes -- the Bulgarian People's Traditional Food", under the rubric "Market, Goods, Services." Passages in slantlines rendered in boldface in text.]

[Text] Food is fundamental to the correct development of the human organism, to maintaining its working capacity and creating greater resistance to harmful factors in the course of work and in the environment. For many years, the workers and the rising population of bourgeois Bulgaria consumed less than the required amount of animal proteins on account of the difficult material situation. For this reason, from the very first years of the revolution of the 9th of September, the party began to conduct a policy of accelerated development of the sources of animal protein. As a result, only in the last 14 years (1984 compared with 1970), the consumption of meat per capita has grown by 171.5 percent, of eggs -- by 194.3 percent and of milk -- by 158.9 percent. With that, objective conditions were created as early as the 8th 5-year plan for the consumption of meet per capita to come as close as possible to the rational norm. The average per capita consumption of meat during 1984 was 71 kg, compared with the norm of 80 kg.

However, the consumption of vegetables /lagged considerably behind the rational norm/.

During 1984, compared with a norm of 180 kg per capita, it was only 104 kg; and for fruit, compared with a norm of 200 kg, it was only 116 kg.

Everyone knows that fresh vegetables are a very valuable and cheap food. They are rich in vitamins, mineral salts and fiber, absolutely necessary for people today who lead less active lives.

Milk and milk products contain valuable animal proteins. In 1984 we consumed on average 186 liters per capita, or 71.5 per cent of the norm. It should be pointed out too that we are considerably behind some other socialist countries in our consumption of milk. In the USSR, the consumption of milk is over 310 liters per capita, and in Poland -- around 450 liters. A fundamental reason for this lagging behind is that in our restaurants and cafeterias, in which over 2.2 million workers, students and employees eat every day, milk is offered mainly fresh and as yogurt, and rarely in milk foods and desserts.

Our people continue to call meatless dishes lenten fare, because through the long years of poverty which have accompanied them, they have used very little fat. With the aim of enriching the contents of meatless vegetable dishes by using animal proteins and improving the quality of taste, 5 or 6 years ago a group of scientists and the best preparers of national meatless vegetable dishes were assigned the task of examining recipes and enriching them with milk, butter and eggs, without reducing their vegetable content. These recipes were approved and published in a separate book in a general collection of recipes for public eating places. However, they found little application on /purely economic grounds/.

It is worth remarking, that in recent years other socialist countries have been introducing a policy of encouraging the production and consumption of meatless vegetable dishes, and in 1984 the USSR published a book on the modern vegetarian kitchen. The number of overweight people has not yet become a national problem here as in some other socialist countries. However, investigations in the okrugs of Pleven, Burgas, Blagoevgrad and Tolbukhin have shown that in the population at large, on average one in five is overweight. One of the reasons for this is the wide-spread consumption of baked goods that are rich in butter and sugar. Frequenters of our pastry shops grow fat very rapidly. But they are only offered "heavy" pastries, cakes and other desserts. As early as 10 years ago, the Scientific Center for Trade and Public Catering developed the recipes and the technology for low calorie fruit desserts. It turned out that they were very tasty, well received by consumers and less labor-intensive compared with normal cakes and pastries. However, there is one insurmountable obstacle to their mass production -- they are cheap, and make it more difficult to fulfil the plan for commodity circulation and profit.

In several party documents and in the theses of the 12th congress of the party, public catering was assigned the task of rapidly increasing the quantity and assortment of meatless cooking products. To date, /the results remain unsatisfactory/ because the objective obstacles of an economic nature have not been removed. Basically there are two obstacles:

The sale of meatless vegetable dishes, which are very labor-intensive and considerably cheaper than meat dishes, realizes little commodity circulation and profit. This contradicts the economic interests of the public catering firms. Profit is a fundamental factor in setting up a larger residual results-based fund -- salary -- and the mark-ups determined for meatless dishes are not economically well-founded. In order to provide a greater supply of tasty meatless dishes, enriched with milk and eggs according to the new recipes, we must correct their mark-ups, taking full account of their actual expenses. Another way to resolve the problem is to increase the trade discounts on vegetables, milk and eggs, for public catering, only, and to reduce the discounts on beer and spirits on which the public catering firms are now making a considerable profit with fewer labor expenses. We should bear in mind that in the USSR the trade discounts on food products for the state public catering firms are considerably higher than those granted to the stores network.

With the system of labor compensation in the public catering establishments that is now proposed, the size of the results-based salary fund is determined from the rate (percent) in financial terms of the commodity circulation realized. This provides an economic incentive for the working collective to sell the more expensive meat dishes and to avoid offering the cheap dishes. With the aim of eliminating this anomaly, the 53rd decree of the Council of Ministers of 14 September 1985, has set the task of introducing labor compensation in public catering /subject to production realized in kind/ and of stimulating production and supply of meatless, milk, egg and fish dishes.

The simplest and most effective incentive system for labor compensation in the spirit of this decree can be achieved by moving away from a rate of realization of commodity circulation of 100 leva, as an expression of value, toward a conventional commodity circulation, i.e. toward a rate per 100 conventional portions of dishes sold. A similar conventional commodity circulation has long been used here to classify eating establishments in connection with the salary rate for the manager and head chef.

With the formation of a salary fund in individual public catering firms on a results-based rate per 100 realized conventional portions of dishes and desserts, we shall stimulate, on the one hand, production and supply of meatless vegetable dishes and fruit desserts, and, on the other hand, a greater turnover of private pastry and culinary production, instead of industrially produced food products.

The proposed system for determining a salary fund will also provide an incentive to cafeteria workers to prepare meatless and more labor-intensive dishes which are now avoided given the existing periodic bonus system of labor compensation. It will also have a stimulating effect on culinary production in the tourist resorts where, for the same reasons, meat dishes are chiefly offered now.

The production of tasty meatless vegetable dishes and fruit desserts requires greater culinary craftsmanship. It is well known that dishes are tastier with the addition of meat, even when the chef is less well qualified. This means that, parallel with the removal of obstacles of an economic nature from the production of a wide assortment of meatless dishes, we must conduct courses to acquire craftsmanship in such dishes according to the new recipes. Those who complete the courses successfully would receive a certificate and their salary would be increased by 15 to 20 leva as an incentive to production.

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CRITICAL STATE OF WATER RESOURCES EXAMINED

Sofia NARODNA MLADEZH in Bulgarian 1 Dec 85 p 3

[Article by Lyudmila Paunovski: "Dried-Up Springs". Passages in slantlines rendered in boldface or italics in text.]

[Text] There isn't enough water! Have we done everything to discover it? The reserve of small water sources.

The prolonged drought forces us once more to recall certain well-known truths. The most important is: Bulgaria is one of the countries in Europe with the poorest water resources. According to data published in the bulletins of the Committee on Water Problems at the Economic Commission for Europe, the annual per capita rainfall here is 2230 cubic meters, whereas in our neighboring countries alone this figure is 10,600 cubic meters for Rumania and 12,250 cubic meters for Yugoslavia. Moreover, our water is unevenly distributed and subject to considerable seasonal variations. But our water needs are constantly growing. This is why various calculations are made which we can't be happy about. They indicate that, if around 1990 we come up against another drought, compared with our needs at that time there will be a clear deficit of 2 billion cubic meters of water. Toward the end of the century, this deficit could reach double the figure!

/There is, and there isn't./ In normal years, we have 386 liters of drinking water per capita per day! But the sums don't add up ! They are simply not accurate! Because from that amount, 275 liters go to satisfy the needs of industry and the public sector! In Sofia itself during the hot and dry August, 611 liters were secured per 24 hours for every inhabitant. At the same time, two-and-a-half million cubic meters of drinking water were fed into the L.I. Brezhnev construction and installation combine alone, and other manufacturing companies took just as much. None of them fulfilled the instructions for exploration of their own water sources on time.

In Sofia there are about 200,000 cars. Let's suppose that 10 liters of water per day are needed to wash every one of them. In spite of fines and bans, car-washing continues because there are few state wash areas, and then the agencies of the Control of Automotive Transport are entitled to give punitive sanctions for driving a dirty vehicle. Is it really so difficult for every regional people's council in the capital to set aside at least one square where they can dig out several wells and install car washes.

And there are other paradoxes. By law, the reservoirs for drinking water in inhabited places must contain 30 percent of a 24-hour consumption so that, if needs be, peak consumption can be met. But only about 20 percent of the settlements in the country that are supplied with water have reservoirs, which contain on average barely 7 to 8 percent of a 24-hour consumption. Which means that even at normal source capacity there is an apparent, planned shortage of drinking water at peak hours, not to mention the drought years.

The moment is clearly ripe for the designers of water supply to develop projects in such a way that they take into account the seasonal satisfaction of needs. That is, alongside the basic water source to request information and include in the project local water sources which also replenish the settlement reservoirs of drinking water. These local water sources, which for years on end we ignored under the pretext that they were small, would assist in surmounting the periodic crises, especially during the hot summer months.

/With tradition toward the future/ The need for industrial companies to secure their own water sources for production was assessed. But why do we continue to ignore the obvious conclusion that we need a full reevaluation of the role and place of small water sources to meet our needs of drinking water and relatively clean water for agriculture? According to different information, half a century ago there were around 500,000 such small water sources in our country -- wells, fountains, springs and reservoirs -- which met the drinking and daily needs of a large part of the population. How many are left today?

We have seen in old newsreels the genuine joy that people show when water is piped in. Eventually, the yokes and buckets will be forgotten; we have only to turn the little faucet and the life-giving moisture is in our homes. But why is a peculiar nihilism beginning to spread, somehow unnoticed, toward the small water sources that have served generations on end? Faucets arrive in rural homes and we forget the well! This is not just a play on words*. The wells are beginning to be filled up en masse. In places, the unthinkable has already occured -- they have been turned into septic pits, and the pollution has been seeping into entire water terraces. The piped springs with crystal clear water have not been maintained. Many of them have been forgotten and no longer hold water. Hundreds of fountains have been neglected and destroyed, some of which were cultural monuments connected with the history and development of our people.

In the past, excavating a well, cleaning a spring or building a fountain was considered a moral duty. It was a tradition for young people with the means, when gathered to go carolling or carousing at New Year, to build fountains. Today, the tradition is not entirely forgotten. In honor of some sports or recreational holiday, the Fatherland Front and Komsomol organizations build fountains and arrange rest areas around them. Last year alone, with the help of the BTU (Bulgarian Tourist Union) and the participation of tourists, 65 mountain fountains were constructed and another 11 were raised in honor of the 90th anniversary of the Organized Tourist Movement.

/Huntersand fishermen prepared for the 100-year jubilee of their union by building over 1500 new fountains. On the initiative of the settlement leadership and with the help of volunteer work days, 6 fountains have been renovated in the village of Suedineniye, near Turgovishte. Still more enthralling is the example of the town of Pliska. Of 400 wells which have met the town's water needs for centuries, over 300 have been restored!/

And yet so often such phenomena are incidental, they have not become practice, nor have they been recognized as necessary. There are plenty of obstacles of all types. Let's say that some young nature-lovers decide to explore unknown springs, old fountains and filled-in wells. They would be a chief moving force in a settlement system in such a campaign which could be combined with getting to know the historic past, developing a sense of patriotism and love for the native land.

But doesn't someone, above all the people's councils, have to specify in which regions we should concentrate our efforts first of all. Where water provision is most pressing! Don't we need a guarantee that the search for small water sources is not simply to give an account of activities but will be of real purpose. Because many of these water sources are in regions where almost no-one lives any longer. And don't we need prospecting technology, and a guarantee of at least the minimum resources, such as raw materials and equipment. And let's not forget laboratory tests for the suitability of the water that is found.

In this way, the enthusiasm and amateur activities in the exploration of new small water sources and the renovation of old sources must give way to organized activity, in which the people's councils are obliged to play a major role. In every settlement system special groups can be set up to index all necessary small water sources and note by region the need to discover new ones. They should be plotted on a map and concrete time limits outlined for them to be brought into effect.

This can be done through a special program which obliges departments, economic, sociopolitical and popular organizations and individual citizens to participate actively in this activity. Specialists should develop projects to give the final touches to vertical and horizontal surveying of water sources, and when construction itself begins, which above all should be done by volunteer work or the resources of individual companies, the people's council should guarantee the technical safeguards and leadership.

Then, pioneer, batallion and comsomol organizations will take the lead in discovering and protecting small water sources locally. And we shall guarantee resources through campaigns for gathering the secondary raw materials, and students themselves will be active helpers in building and developing the surrounding area. This could soon become reality if we take to heart the resolution of the Public Committee for the Defence of Nature, the National Commission for Construction, Planning and Sanitation of Settlement Systems at the NU of the FF (National Union of the Fatherland Front) and the National Council on Water for rational use of water from local water sources.

World practice shows that a water crisis is more easily overcome with small water sources. Our needs in drinking water and water for every-day use are almost soluble in recreational and tourist areas and in the private economy, especially in less populated areas, as are the needs for industrial water.

That is the simple truth, which we have to recognize -- the people's councils, economic, sociopolitical and popular organizations, all of us. Let's bring back the water to the springs and fountains, to the reservoirs and wells!

* Pun on the Bulgarian words for faucet and well.

12907
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DIFFICULTIES AT MARITSA-IZTOK POWER STATION SURVEYED

Sofia OTECHESTVO in Bulgarian No 22, 26 Nov 85 pp 13, 15

[Article by Valentin Markov: "Maritsa-Iztok on the Eve of the New Winter"]

[Text] Last winter, when the shortage of electric power excited the spirit of the people, the names of the three power plants of the Maritsa-Iztok Economic Mining-Power Combine (SMEK) turned into adjectives. All of a sudden from something abstract, something seemingly remote from daily life, they acquired a very substantive, and even fatal significance. Was there an adequate supply of coal, had the conveyor belts thawed out, were questions with which every bit of news coming from Maritsa-Iztok was welcomed. Was the significance of the combine in terms of national power supplies been exaggerated at that time? Perhaps. Nevertheless, when 20 percent of the electric power production declines by nearly one-half... Furthermore, part of the problems which faced the power plants of Maritsa-Iztok were problems affecting other Bulgarian thermoelectric power plants as well. That is why, on the eve of the new and, according to forecasts, equally severe winter, the following question is entirely legitimate: Are they ready to welcome the cold and the snow and to react to all the whims of nature and technological surprises?

Purva Komsomolska TETs

This is the oldest thermoelectric power plant in the complex with the lowest power-generating capacity (400 megawatts). It uses predried coal. A high percentage of the equipment is old, which leads to an increase in the number of breakdowns. Until 17 February 1985 the power plant worked relatively well. After that, however, the daily load began to drop, and so did the supply of industrial steam to the only briquettes factory in the country. The reasons? In addition to the worsened technical condition of the equipment, caused by insufficient repairs in previous years, major problems were developed in the fuel oil systems. Instead of reaching the necessary 150 degrees, the fuel was heated to 80 degrees C, which resulted in overexpenditures and reduced power. At low temperatures the recording instruments of the end boilers froze. Without them, however, maintaining an optimal system is difficult....

Today the mood at the Purva Komsomolska TETs is different. Two additional heaters and a fuel oil pump have been installed, and the recording instruments at the boilers have been insulated. Substantial repairs were carried out at the fuel supply and boiler shop. However, boiler repairs will continue until the beginning of 1986 and it is only then that the boiler shop will have equipment in relatively good technical condition.

What else remains to be done? The most concerning feature is the lagging in the implementation of the repair program at the drying shop. Work intervals between repairs are violated and the shop is still not ready under winter conditions. Another cause for concern is the state of the controlling systems of turbogenerators Nos 5 and 6. As a whole, little has been done at the power plant to insulate pipes, core samplers and pulse lines. There simply are not enough workers, for some 60 people are needed for insulation work alone. Obviously, the combine's management and the Ministry of Power Industry must react quickly.

In conclusion: in the 1985/1986 winter season the Purva Komsomolska TETs will have equipment whose technical condition will be relatively satisfactory. This will make it possible to maintain an average hourly load of 250 megawatts and, at peak times up to 280 megawatts excluding the first turbine, and respectively, 340 and 380 megawatts with turbine No 1.

Dimo Dichev TETs

At this power plant we clearly felt the tension under which Bulgarian power workers are operating. We began by attending the meeting of the party committee which was precisely engaged in a discussion of the extent of readiness for the winter in all aspects. Perhaps because the power plant was, until recently, the largest and newest in the complex or perhaps because last winter it had "suffered the most," the statements of workers and managers showed concern for the course of preparations. An unsatisfactory assessment of accomplishments was provided in a self-critical spirit.

Yet, a great deal had been accomplished. Within a short time, from March to October, repair operations which should have been carried out for the entire 8 preceding years had been completed. As a result of uninterrupted operations, without reserves and basic repairs, most of the main equipment had broken down as early as the beginning of last winter. That forced the Council of Ministers to approve a special repair organization. Hundreds of skilled workers were assigned from neighboring okrugs and considerable funds and technical facilities were appropriated. Therefore, by the end of November, the basic repair activities for the four blocks will have been completed. The power plant will meet the winter in a renovated and good technical condition, which will enable it to maintain an average hourly load of about 680 megawatts. No less important social problems must be resolved, such as heat at the work places, winter clothing and the condition of the auxiliary equipment.

Maritsa-Iztok 2 TETs

Following the commissioning of power block No 6 on 30 September 1985, the overall generating capacity of the power plant reached 1,020 megawatts. The question now is whether it will be able to maintain its planned high average annual load during the winter or whether despite its expansion and reconstruction problems will remain.

Last winter, coal supplies created the greatest difficulties at the Maritsa-Iztok 2 TETs. The old conveyors from the drying plant, which were extremely unreliable, were used. The worst point was reached when the coal was being fed through a single underground conveyor belt, at which point the load dropped to 200 megawatts and the fuel oil was almost exhausted....These weaknesses are now considered eliminated. A new system has been applied for supplying the coal with the help of new conveyor belts. Nevertheless, during the forthcoming months as well, supplying the coal will remain the main problem. Coal reserves are insufficient (because of unfinished construction around the open-air warehouse). The second crane which receives and processes the coal has not been installed and some of the conveyor belts have not been completed. Here as well the reason is the scarcity of workers, for the large construction and repair program is absorbing all available manpower. Nevertheless, the condition of the plant is much better compared with last year.

Necessary Summations

Any visitor of the Maritsa-Iztok SMEK today can see the stressed and responsible work being done. This covers everyone, workers and directors, and not only the power plant, but the mines and repair enterprises as well. A great deal is being expected of the type of organization which has been created (with continuing control, guard duty, etc.). However, winter is already knocking at the door. Let us, therefore, look at the overall picture.

Coal: In terms of this combine, this problem has been resolved; coal reserves are insufficient only for the Maritsa-Iztok 2 TETs and regular and direct supplies must be organized. According to Engineer Zhivko Stoyanov, Maritsa-Iztok SMEK deputy director, coal supplies will be organized on a rhythmical basis.

Fuel oil: Considerable overexpenditures in fuel oil occurred last winter because of difficult operating conditions; the power plants are currently trying to catch up. At the Dimo Dichev TETs, for example, daily fuel oil expenditures averaged between 5 and 10 tons. This is a good result and proof of the great importance of capital repairs in saving on liquid fuels. Reserves, however, remain insufficient.

Spare parts: Most of the operational engines have already been amortized. The solution of this problem remains outside of the power plants' possibilities.

Manpower: All in all, the combine needs some 1,200 new workers. The most difficult is the situation at the Maritsa-Iztok TETs, which is short of 400 to 500 workers, mainly for the two new blocks. It is hoped that the new Council of Ministers decree, which raises the salaries of power workers, will resolve this and many other problems.

Discipline and skills: These problems largely depend on the power plant's leaderships. Sometimes high rates are awarded undeservedly in order to keep the people on their jobs. Some repair workers do not use their working time efficiently and frequent breakdowns lower discipline in the shops. Maintning the expensive equipment requires high work skills, for, in the words of one of the directors, a system in a good technical condition could break down in a matter of minutes as a result of carelessness or incompetence.

In the future (something which must be done!) the individual contribution of every worker, and his ability and knowledge will be studied closely. Courses will be offered and tests given, and the hundreds of expected workers will be trained.

One may say that the lessons from the difficulties in electric power production, which occurred at the beginning of the year, have been learned and the mechanism for their elimination has been put in place. We are on the right way. Everything else depends on the efforts of the individual workers.

5003
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READERS' LETTERS EXPOSE EMBEZZLEMENT, THEFTS, SQUANDERING

Editorial Comment

Sofia ANTENI in Bulgarian 4 Dec 85 p 4

[Text] The headline of this page "People Protecting Themselves From Prying Eyes" was borrowed from a reader's letter published ANTENI No 45, written on the subject of the article "A Needle Pinned on the Lapel." Entitled "The Protection of Socialist Property is Everyone's Concern and Responsibility," the letter commented on cases of abuse in stores and public catering institutions which employ husband and wife couples, entire families or other relatives. The editors are continuing to receive letters describing attitudes not only concerning "family businesses and dealers with wedding rings," but, generally, violations of legality, abuses and encroachments harming national property. Following are some of them.

Prosecutor's Investigation

Sofia ANTENI in Bulgarian 4 Dec 85 p 4

[Letter by Genko Angelov, rayon prosecutor]

[Text] Allow me to inform you of the following on the subject of the letter of a group of sales clerks at the Vit supermarket of the Food Products Trade Enterprise, under the title of "No One is Interested;" a preliminary investigation is being conducted by the economic department of the Pleven Okrug MVR administration and the State Financial Control Office in Pleven, based on the complaints filed by Stoykova, Kostova and Khristova.

An investigation is also under way on the grounds for which the chief accountant ordered that the wages of the sales clerks be withheld. The filers of the complaint will be informed in writing of the results of the investigation and the opinion of the prosecutor's office.

Sales Clerks' Abuses

Sofia ANTENI in Bulgarian 4 Dec 85 p 4

[Letter by Radoslav Tsvetkov]

[Text] I shall not attempt to retell the content of the article "Needle Pinned on the Lapel." For a long time this newspaper has sounded the alarm on the subject of the recently increased frequency of negative manifestations in trade and public catering. I would like to expand further some aspects of the appropriation phenomenon with which, in most cases, we somehow try to excuse, to lower the ugliness of the action and to act ethically (here I am, using that undesirable word, which covers almost half of the nature of the matter) toward the violators. What does a violator mean? What does the term "malicious damage" mean, based on the instruction which was quoted? Why is it that a thief--for that is his real description--is to be delivered to the prosecutor's office only after he has "appropriated," and again, forgive me for this borrowed term, no less than 2,000 leva's worth of state and people's property? Jean Valjean suffered for the rest of his life the consequences and the shame of stealing a loaf of bread to meet a vital need. Are our thieves in trade and public catering stealing to meet precisely the same crying needs? Are they dying of hunger or are they walking barefoot and naked on the streets?

Sooner or later, anyone who steals goes to jail. However, are we also not to blame? We have witnessed the way the sales clerk in a supermarket will allow access to the premise behind the counter of someone she knows, and will let people wait in line while she is wrapping up a few large pieces of meat. She does not even weigh them in order not to irritate the waiting customers, but quietly sends her visitor away.

Surpluses? This is another extenuating term. It is not surpluses that are being created but thefts which are being committed. In his aspiration not to be "short," the materially responsible official appropriates the surplus after working time. Have any controlling authorities come to stores after closing time to ask such officials what they are doing?

But does this occur in such places only? What about waiters and people providing communal consumer services?

Obviously, this can no longer be tolerated. Shall we be able to reach the root of this evil? Most certainly yes, if we set ourselves this target. We could also make preventive struggle much more effective. We can also set up and develop a public, a state, a national intolerance of the thief, the bribe taker, the extortionist and, particularly, the recidivist.

How can this be accomplished? In my view, not by waiting until all possible complaints in a case have been received or be satisfied with newspaper publications and think that the culprits have been deservedly punished, but by making it impossible for them to be among us even with the slightest delinquency, for such a person is much more dangerous than a murderer towards whom the law is much stricter, for such a person kills in us the belief that we can achieve all that he has achieved but honestly. We constantly keep clashing against the tempting standards he maintains. We can see his summer cottage, the cars he keeps changing, and objects bought at Korekom. We also see his arrogance.

We can also find means not to struggle against but to uproot the evil! That is what I suggest to the thousands of readers of this newspaper to think about, so that it may be suggested, considered and legalized as a status, as a code of honor, as an efficient preventive measure.

Land and Water Waste

Sofia ANTENI in Bulgarian 4 Dec 85 p 4

[Letter by Radi Georgiev]

[Text] The topic of waste, theft and appropriation could be broadened and some of its other coordinates found. Usually we deal with the basic parts of this problem, for the guilt is obvious and very easy to determine. However, is it not a case of waste when a shortsighted enterprise management has incurred losses in its production activities and failed to fulfill plan indicators? Is it not a waste when funds from the so-called director's fund are being spent on trips, drinks and banquets? Would it not be better for us to be tighter with the money when it is a question of the people's good? We are simply offering some people the possibility of benefiting at the expense of the state in a totally unaccountable fashion.

Since the question of waste is being raised so sharply, we should take a stricter look at other problems. Let us consider, for example, the waste of water and land! The press took up the question of the closed cycle in enterprises. In most areas which require the use of huge amounts of water, recycling has still not become the fashion. However, we should seek the reasons for the drought also by going to those who cut out oak trees and plant pine, who are engaged in "sanitary" cutting in our forests and who are changing the natural ecological conditions of our land. Why is it that so much fertile land is now lost forever under shops and buildings of industrial enterprises and combines? Such an insensible use of the land, as is also the case in the expansion of residential complexes, when cities are built not on their present territories but far outside their limits, is frightening. We are not so rich as to be able to engage in all sorts of indiscriminate wastes.

Bribery in Procurement Systems

Sofia ANTENI in Bulgarian 4 Dec 85 p 4

[Letter by Vanya Georgieva, Iliyantsi Residential District, Railroad Blocks]

[Text] I would like to draw attention to something which is an open secret. If a store is well-supplied with goods it means that its manager is dipping in the till not only for himself but also for the so-called placing and procurement workers. No one would bring you goods unless you dipped into the till. How to compensate for such losses subsequently becomes your own problem. Procurement workers bring the goods, falsify documents and later, in the manager's office and frequently, by the cash register, cash in the "gifts" they have received elsewhere. This is a hint for the manager to contribute his share, something like a rental payment, only not monthly or annual but daily: today from one or several shops, tomorrow from others, in sequence. The chain does not end there but goes higher. The marketing workers also bribe chiefs of warehouses who, in turn, in all likelihood...how many people are thus involved in the game?

Could it be that the procurement and servicing system has something that is not in order and is faulty at its very core? Is the system organized in such a way that honest people who go to work in trade can either not survive or have to adapt? What about those who have already adapted themselves?

The struggle must begin at the roots. The organization must be changed and the system reorganized. This will not be easy!

Criminals Must be Named

Sofia ANTENI in Bulgarian 4 Dec 85 p 4

[Letter by Luchiya Petrova]

[Text] There are people who have become accustomed to think that thefts occur exclusively in restaurants and food stores, where surpluses could accumulate! This is not true! Do you know the way furniture is purchased? No theft takes place there, there one pays in cash, perhaps 100 or 150 leva, if one is to buy a piece of furniture directly at the warehouse. One may even give such money to the common laborer who promises to find the item, in which case one may rest assured that he will deliver the money to the proper place. Otherwise, one may keep making the rounds and checking and putting one's name down on waiting lists.

What if someone needs construction material? Could one guess exactly when suchmaterials are available at the warehouses without tipping a few 10-leva notes around? The bribes charged by cab drivers, store keepers and waiters are nothing compared to the harm done to citizens in other areas....With bribery, a tinsmith was able to make several bids for cars which he then sold for double or triple the price. Meanwhile the state authorities shut their eyes. Personnel in rayon councils are bribed to issue housing. Why are such cases not made public? Would public opinion suffer if it is publicly mentioned that someone is a criminal? This, it seems to me, is one of the reasons for the lack of publicity. In my view, the culprits must be clearly named. The roots of violations must be eliminated early and deeply. The entire system for treating the "disease" must be applied if recurrences are to be prevented and the further spread of the disease blocked.

Culprits Punished

Sofia ANTENI in Bulgarian 4 Dec 85 p 4

[Letter by Nadezhda Kirilova, deputy chairman of the executive committee of the Dimitrov Rayon People's Council]

[Text] Concerning the note entitled "Facts Without Comment" (No 45), we wish to inform the editors that Borislav Ivanov, former manager of Store No 49, 179 An. Zhdanov Street, and his wife Angelina Ivanova were fired because of fund shortages totaling 6,204 leva. Borislav Ivanov was also charged with misappropriating trade funds and delivered to the judicial authorities.

Supreme Court Justice Comments

Sofia ANTENI in Bulgarian 27 Nov 85 p 2

[Letter by Supreme Court Justice Todor Todorov]

[Text] The article "A Needle Pinned on the Lapel" triggered serious thoughts concerning criminal encroachments in trade, noteworthy for their impudence and scope. It may appear to some that the author selected cases of more notorious economic trials for the sake of creating greater public interest in the topic. This would be naive, for misappropriation cases involving sums ranging between 50,000 and 100,000 leva in trade are being tried on a daily basis by the courts and have long stopped being "sensational." The author is amazed not only by the scale of such crime but also by the strange phenomena which accompany it. He justifiably raises the sensitive yet still unanswered questions of how can economic criminals engage in their "business" "calmly" under socialist conditions? Why is it that after they have been sentenced and deprived of their rights, once again they show up elsewhere as materially responsible individuals and continue to plunder the people's wealth? Where from do they draw their courage?

The questions of the economic negligence of managing and control authorities has been raised frequently. However, this takes place after a major scandal is discovered and both money goods are "already vanished." It was at that point that we discover that someone has made a poor personnel choice and, in violation of Council of Ministers Letter No 127, allowed "devils" to enter the "Garden of Eden." It becomes apparent that others have not checked the accounts of the store manager with the inventory and the actual cash payments. Others again have failed to be impressed by the fact that some stores are always well-supplied with scarce goods and have a high sales turnover, while in their vicinity there are other stores whose clerks remain idle. We are surprised by the fact that some thieves have been audited 7 or 8 times and always cleared. This also affects the law enforcement authorities who have exposed and punished criminals. Journalists express the angry indignation of the public....but what happens at the economic enterprise? The director looks for someone to replace the expelled "devil" and frequently comes across...another "devil." Meanwhile poor management and the carelessness of economic managers and auditors are ignored.

Cases even worse than those described in the article "A Needle Stuck in the Lapel" exist. Take the case of Kol'o Markov, former director of the Public Catering Economic Enterprise in Dimitrov Rayon in Sofia. He managed his small empire as he wished and according to his own laws. Fierce reprisals were applied against anyone who dared to disobey his orders. He had his own repression authorities for such purposes....

The question is, where do such people get their impudence and confidence? How is it that such responsible economic figures trusted by the state turn into criminals? I do not believe in their sudden transformation. Something sinister and dirty must have been hidden in their hearts. If such is the case, who put them in such positions, who assessed their moral and practical qualities, and who has been observing years on end their economic "scope?" Economic criminals have been given support and confidence by others, concealed behind the social stage....It is not jobs that corrupt people. Thousands of economic managers organize and manage our economy honestly and with dedication. In order to protect their reputations and prestige and stop the efforts of criminals to "redistribute" unofficially the national income, we must dig deeper and reach the very roots of economic crime.

More Opinions Needed

Sofia ANTENI in Bulgarian 4 Dec 85 p 2

[Text] In connection with the article "Needle Pinned on the Lapel" (No 42), in addition to the letter by Supreme Court Justice Todor Todorov, the editors have received a number of letters but only from our readers. This proves civic and social awareness and a sharpened feeling concerning violations of the law not only in trade but in all economic areas. This newspaper expects the response of the specialist as well--trade inspectors, managers, finance auditors and representatives of control bodies. The article which triggered the dialogue among readers against encroachments on socialist property raised the following question: how are the special instructions on missing funds, damages and misappropriations implemented; should the culprits, whether they committed the crime with malice aforethought or not, be prosecuted? An answer to this question should come from financial and legal authorities. Furthermore, there is a special ukase which forbids appointing people indicted or sentenced to hold material accountability positions. This ban is not always observed by trade workers and other economic managers. Who will explain the reason for which the categorical stipulations which are a law aimed at protecting the common property are being violated?

5003
CSO: 2200/62

BOTH UNIMPROVED, DEVELOPED LAND ZONED FOR HOUSING CONSTRUCTION

East Berlin ARCHITEKTUR DER DDR in German Vol 34, No 9, Sep 85 p 561

[Article by Eng Christa Menz, Council of Kreis Belzig: "The Building Land Law--A Good Foundation for the Preparation of Master Plans--A Discussion Contribution Based on the Exchange of Experiences Pertaining to Work Done With the Building Land Law at the Postgraduate Institute for Town and Country Planning and Architecture at Weimar"]

[Text] The orderly spatial development of our cities and villages is only possible on the basis of mutually coordinated and long-range planning. Consequently, in recent years long-range concepts were worked on in an intensified manner. The focal point in this work was the long-range concept for solving the apartment question through the year 1990.

For every city, for every community, it must be proven that every family can have an apartment which fulfills its essential needs. A maximum number of apartments in the inventory are to be modernized.

Work on this concept in our Kreis Belzig also required intensive and goal-oriented cooperation between all council jurisdictions, and particularly required a precise analysis of the inventory and needs. A quantitative recording was not adequate--qualitative data were required.

But the analysis already had to take into account the need and the changes in the inventory. Additional problems existed with respect to the investigation of the possibilities for covering the need.

The comprehensive and extensive tasking resulted in a necessity for working out a long-term concept for all areas connected with the solution of the apartment dwelling question, so that the final results represented not only concepts for the solution of the apartment question, but included additional concepts which were consulted upon, coordinated, and confirmed, including the developmental concept for the Kreis-managed construction industry, the school network, and the trade and business network, as well as other concepts designed to provide for citizens and deprive them of worry. From phase to phase, the work became more and more specific.

The results then found their municipal construction expressions in

1) master planning,
2) community formation concepts,
3) concepts applying to localities, and
4) development plans.

The results of the detailed planning were transferred to the long-term concept. This constant feedback assured us of the efficient utilization of building land, of the available construction, and of the reserves of municipal facilities, which assured us of the optimum utilization of our fund inventories and the fulfillment of the overall goal.

The harmonious formation of our cities and villages is a fundamental prerequisite for a feeling of well-being among our citizens--not only in their dwelling units, but also in their residential areas. The feeling of well-being and connection with the settlement is important for purposes of identification with the environment and the resulting sense of responsibility both for one's own as well as for the people's property. It is this feeling which gives rise to activities designed to maintain and beautify the environment.

Consequently, it is far from adequate to simply inform our citizens of what has already been agreed on and set forth in planning documents. After all, one can expect cooperation and the contribution of resident proposals and hints only if one informs them on a long-term basis.

On the basis of long-term concepts, for example, of the master plan, this kind of information is absolutely possible. But it is already discernible in practice today that the Building Land Law is only invoked in cases where problems exist with the availability of building land or the utilization of built-up lots.

The demand for timely information regarding planned construction projects in accordance with Sections 5 and 15 of the Building Land Law and Sections 1 and 10 of the first implementation decree has its reasons. Cooperation and coresponsibility on the part of citizens in solving these tasks require timely information at a time when changes are still possible. A mere announcement of provisions fails to activate citizens but easily leads to temporizing actions.

That is why all directives issued by the local councils referred to the principles enunciated in Section 3 of the Building Land Law. It was required that the master plans and the locality formation concepts be repeatedly discussed and be presented for examination.

During the discussions, problems are also discernible on a timely basis and a timely and goal-oriented exertion of influence is facilitated.

Frequently, given the pressure to solve existing tasks of the day on a short-term basis, the long-term concept is not taken into account and is, thus, endangered. However, we must solve today's tasks with a view toward tomorrow.

Every master plan is condemned to failure if it does not form the foundation for detailed planning. In realizing the individual phases, there is the need to assure the overall goal through constant updating.

The long-term concept for solving the apartment question and the master plan are realized in individual segments over a long time frame. It is, therefore, not adequate to recognize them as a basis for work. Every concept includes the resolution of the people's representatives, or the council, coupled with a plan of measures for its implementation. This means that as early as the determination for the long-term concept is made, specific determinations should govern areas of land reserved for future construction.

In Section 7 of the Building Land Law, it is specified that both improved and unimproved land can be identified as reserved areas for construction. As early as the preparation and working out of the long-term municipal construction plan, orientation toward the rational use of areas is provided. In this respect, we can refer to the demands published in Section 6 of the Building Land Law.

With the turn toward municipal construction, the number of dwelling units per location in our Kreis increased. Because of the low number of building stories and the relatively small gaps between buildings, the location numbers per new construction rose. Since we do not regard new construction in an isolated manner, but realize it in a closed area (residential quarter), and since we are realizing reconstruction, modernization, and maintenance operations in addition to new construction, a multiplicity of problems must be solved with respect to private ownership in preparing construction measures.

Without the specific and clear regulation pertaining to the availability of building land, pertaining to regulations for coutilization of this land in preparing and executing building measures, the problems can hardly be mastered.

The Building Land Law has been in effect for a relatively short time. Our existing experiences are limited to questions and problems involved in the preparation and discussion of construction plans and to its utilization in training and directives.

In so doing, value was primarily placed on planned work in location processing. Three work steps were set which must be accomplished with respect to every planning project:

1. Consultation and discussion of the proposal for long-term municipal construction planning at meetings of residents. The results are to be captured in a protocol and are to be worked into the concept.

2. Decision with respect to the concept and the plan of measures to implement the concept:

a) identification of realization phases and sectors,

b) identification of measures for which construction reservation areas have been applied for.

3. Detailed planning and renewed public presentation. Establishment of specific measures to secure the availability of building land as a result of the discussions.

Thus far, in the short time that the Building Land Law has been in force, we have only been able to determine construction density plans in two communities. A useful substantive discussion resulted even despite initial reservations of the citizens who were directly involved. In the smallest towns and villages, we are working close to the skin of the citizens. The positive influence of neighbors with respect to problems must, therefore, never be underestimated.

Imprecise information by a third party is frequently more harmful than the necessity of having to make more precise a long-term item of information on the basis of additional investigations. Consequently, I consider it to be our task to recognize problems with respect to the making of building land available through long-term concepts on the basis of the Building Land Law and to solve them in cooperation with the citizens involved.

The Building Land Law presents us with good opportunities for realizing our construction policy in conjunction with our citizens.

5911
CSO: 2300/157

LISTENERS PROVIDED WITH LATEST DEVELOPMENTS IN TRANSPORT SECTOR

DW160745 [Editorial Report] In the third installment of the recorded "Listeners Forum," East Berlin Domestic Service in German at 1600 GMT on 8 January presents Transport Minister Otto Arndt, who answers questions about his ministry. The topics include railroad and street traffic, road construction, inland and deep-sea navigation, civil aviation, the Mitropa travel agency, and the international Deutrans shipping agency. The minister says that roughly 11.5 million people in the GDR now make use of public transportation.

Referring to the electrification of railroad lines, Arndt states that in 1985 almost 300 kilometers were electrified and that this excellent pace will be continued in 1986. "It will require even more effective construction work and a better application of materials," he adds.

In reply to a listener's remark on overcrowded trains at rush hours, Arndt expresses surprise. He says the situation ought to have improved last year owing to the operation of almost 2,000 additional trains. Additional relief to rush-hour commuter traffic is afforded by double-decker buses.

Asked about the prospects for commissioning additional express trains, the minister states that new Intercity Express trains between Berlin and Erfurt are planned as well as a couple of relief trains for the Rennsteig City Express, in both directions. About 15,000 trains run in the GDR each day, the minister notes, with 50 percent of them being passenger trains while the other half are freight trains. "The key problem for all transportation is," the minister points out, "the struggle for absolute punctuality."

Answering a question about the benefits derived from shifting goods transport from road to rail, Arndt says that the major advantages are in saving energy. Continued electrification of the GDR's railroad network, the minister adds, will enable the operation of longer and heavier trains. He notes that "the goal in 1986 is to increase rail container traffic by 72 percent compared with 1981." By the end of the first quarter of 1986, the computer-controlled transportation system will be completed so that transportation means and energy can be saved.

A number of questions deal with the growing demand for motor vehicles and repair and maintenance services. The minister deplores the fact that "the people's demand for repair performances on motor vehicles is not yet fully met by short waiting and repair periods."

Referring to the GDR's inland waterway facilities, Arndt notes that the total number of waterways amounts to roughly 2,300 kilometers and that for the time being no additional waterways are planned. In reply to a listener's question, Arndt says the GDR's icebreaker fleet now numbers about 20 vessels; the sea-going fleet numbers roughly 170. In the GDR ports of Rostock, Wismar, and Stralsund an average of 5,500 ships from many countries are berthed each year. The GDR's annual transshipments amount to roughly 25 million tons of goods.

In conclusion the minister notes some modernization plans for the Berlin subway system and other train stations. He thanks all transport workers for the outstanding results achieved in 1985.

/9604
CSO: 2300/201

MINISTER RESPONDS TO QUESTIONS ON CONSUMER SERVICES, REPAIRS

DW161400 [Editorial Report] East Berlin Domestic Service in German at 1600 GMT on 9 January 1986 continues its "Listeners' Forum" series with Udo-dieter Wange, GDR minister for the bezirk-administered and foodstuffs industries. Initially the minister makes it clear in response to a question that the statistical data on bezirk economic plan fulfillment include the bezirk-administered combines but never such centrally administered combines as the Buna Works in Halle Bezirk or even the Leuna Chemical Combine.

As to the achievements of the bezirk-administered industry, Wange stresses its "good development," which accounts for a 1985 output "worth more than M20 billion." The envisaged growth rate for 1986 is 8 percent and "the share of the bezirk-administered industry in the production of new consumer goods in 1986 will be 10 percent," he adds.

A listener wishes to know why "supply bottlenecks occur in the thousand little things of daily use." The minister replies: "In most cases it happens when demand increases more rapidly than production capacities. Consequently, for the bezirk-administered industry we have envisaged in the plan a considerable increase in the production of rationalization equipment so that the production branch can adapt to requirements in good time and supply will keep abreast of demand."

Having promised improvements in services in general and a tangible reduction in waiting periods for repairs or their elimination by enhancing the exchange service--turn in a set for repair and take home a spare for the duration--Wange announces that the network of self-service cleaning facilities will be expanded by 50 shops in 1986, the CSSR supplying the required equipment by contract.

A listener from Greifswald wonders whether it will be possible to obtain licenses for private artisan shops in the future. The minister declares: "Yes, of course, albeit in keeping with the requirements for the supply of the people. Last year we granted permission to 15,000 citizens to open, or continue to operate, artisan enterprises." He adds that the local authorities have "clear instructions to exploit all options and especially to guarantee the continuation of an artisan enterprise's operation with the artisan's children and to grant further operating licenses in the interest of the people's supply."

Wange informs a Leipzig listener that the M7.14 billion output of the GDR furniture industry for the people envisaged for 1986 is broken down as follows: Furnishings for about 5,500 bedrooms, 10,200 kitchens, 17,400 rooms for children and youngsters, 12,000 living rooms including upholstered furniture, and more than 4,000 sets of upholstered furniture for replacement purposes. Apart from the built-in kitchens for all the apartments to be newly built in 1986, the furniture industry must equip kindergartens, nurseries, and health facilities, sales outlets, restaurants, and FDGB vacation homes.

When questions shift to the foodstuffs industry in general and soft drink production in particular, Wange announces that there is a host of ideas concerning new products in this field. "Jointly with our Cuban comrades in particular we are in the process of developing new raw substances from plants growing in Cuba, substances which can be utilized for the production of soft drinks." New products will be on sale "before the end of the year."

In conclusion Wange draws attention to the relocation of the "traditional" fishing grounds of the GDR fishing fleet off Norway, saying that in the meantime GDR fishermen have adapted to the new fishing grounds "off northern and southern Africa and in the Indian Ocean, showing good catch results."

/9604
CSO: 2300/199

BRIEFS

ECONOMIC RELATIONS WITH AUSTRIA--East Berlin (ADN)--On Friday [17 January] State Secretary Dr Gerhard Beil received Dr Erich Schmidt, state secretary in the Austrian Ministry of Trade, Commerce and Industry to discuss the further development of economic relations in 1986. According to Dr Schmidt, Austria will participate with numerous exhibits in the 1986 Leipzig Spring Fair. [Summary] [East Berlin NEUES DEUTSCHLAND in German 18-19 Jan 86 p 2 AU] /8309

ECONOMIC RELATIONS WITH SWITZERLAND--Bern (ADN)--GDR State Secretary Dr Gerhard Beil is currently visiting Switzerland to discuss economic relations between the two countries. He met with Dr Kurt Furgler, the Swiss minister of trade, and with Dr Cornelio Sommaruga, head of the Office of Foreign Trade. It was agreed to give the necessary support for the further development of economic relations. Mutual trade is to be increased and cooperation on third markets is to be developed. [Summary] [East Berlin NEUES DEUTSCHLAND in German 21 Jan 86 p 1 AU] /8309

MEIER MEETS IRAQI MINISTER--East Berlin (ADN)--On Wednesday [8 January] Felix Meier, minister of electrical engineering and electronics, received Tariq Hamad al-'Abdallah, minister of light industries of the Republic of Iraq and chairman of the Iraqi part of the standing committee for economic, scientific, and technological cooperation between the GDR and the Republic of Iraq. The ministers discussed the further development of cooperation between the two countries in the field of electrical engineering and electronics. So far, the GDR has delivered, inter alia, railroad signalling and safety equipment, electronic data processing equipment, and equipment for electric energy transmission and distribution. [Excerpts] [East Berlin NEUES DEUTSCHLAND in German 9 Jan 86 p 2 AU] /8309

GEORGI MEETS IRAQI MINISTER--East Berlin (ADN)--On Thursday [9 January] Dr Rudi Georgi, minister of machine tool and processing machinery building, received Tariq Hamad al-'Abdallah, minister of light industries of the Republic of Iraq and chairman of the Iraqi part of the standing committee for economic, scientific, and technological cooperation between the GDR and the Republic of Iraq. They discussed measures for further developing relations in the field of machine tool and processing machinery building. GDR deliveries to the Arab country include machine tools, printing and textile machinery, and repair shops. [Excerpts] [East Berlin NEUES DEUTSCHLAND in German 10 Jan 86 p 2 AU] /8309

CSO: 2300/202

INNOVATORS URGED TO COMPETE FOR TAX CONCESSIONS

Budapest OTLET in Hungarian No 45, 7 Nov 85 p 23

[Interview with Jozsef Kacsoh, Director of NOVIKI, by Anna Gyori: "A Contest For Tax Concessions"; date and place not specified]

[Excerpts] "In the case of a positive judgment, artisans get a 30 percent tax concession."

Nowadays the taxing of artisans and entrepreneurs is almost a daily topic. Even in the columns of the ESTI HIRLAP I noticed an advertised address which dealt with this topic: Bidding For Tax Exemption! With a December 1 deadline, the Office for Small Business Innovations, also known by the imaginative name NOVIKI, awaits the applications of artisans, enterprise work associations, independent work associations, ????? (polgari jogi tarsasagok), and groups of skilled workers from industrial and service-oriented cooperatives.

I turned to the director of NOVIKI, Jozseph Kacsoh.

[Question] How much interest is there and who can count on a decrease in taxes?

[Answer] The notice offers tax concessions to everyone who: makes products dealing with energy conservation and environmental protection and provides services relating to this; manufactures products, perfects innovations, or pursues outstanding craftsmen activities based upon patents granted to independent innovators or those representing firms. Last year there was less interest than what we had expected; only 470 private craftsmen and 155 entrepreneurs applied.

[Question] What is the extent of the potential tax decrease, who can count on it, and how is one's entitlement determined?

[Answer] After making a payment of 500 or 1,000 forints, each artisan or entrepreneur applying with us receives a bidding form. The artisan forwards this document to the county secretariat of the National Organization of Artisans (KIOSZ), where a committee of experts makes a decision, then they forward the form, together with their opinions, to us. NOVIKI also provides a professional opinion, together with which the document is forwarded to the

KIOSZ's central economic department. The final decision is made there, after which everything comes back to us. We notify the artisans, who enclose our notification with their tax statement at the end of the year.

[Question] Isn't doing it this way a little cumbersome?

[Answer] It is indeed. The procedure is simpler with entrepreneurs: They return to us the document we give them, attaching the validation of their claims, and we mail them our professsional evaluation to be attached to the tax statements they send to the Chief Income Administrating Office of the Financial Ministry. In the case of a positive judgment, artisans receive a tax concession of 30 percent. They can also partake of an additional ten percent tax decrease if they are realizing their own invention. Entrepreneurs, on the other hand, can deduct 15 percent of the distributed income from their taxable base income.

[Question] What do you see as the reason why so few applied?

[Answer] The majority of artisans and entrepreneurs do not possess the requisite machinery or equipment to move ahead. Whatever amount the entrepreneurs deposit in an account earmarked for the purchase of machinery, they can deduct from their total income, and this is not taxable.

[Question] In addition to determining tax concessions, you are also involved in management.

[Answer] If somebody turns to us with a good idea, in which we see some possibility and for which there is also a demand in the marketplace, then we financially help in realizing this. For example, one artisan invented a type of casting procedure which was able to make plain bearings. The Hungarian State Railways (MAV) needed this product, which up to this time it had bought for hard currency. As a result of this idea the Hungarian State Railways (MAV) and NOVIKI helped by each assuming 50-50 percent of the risk in the development of this new technology. The artisan who came up with the whole thing will later on teach the MAV employees who are involved with manufacturing products.

[Question] What does NOVIKI profit out of all of this?

[Answer] At its inception the KIOSZ and the State Development Bank guaranteed 4 million forints capital for the office, out of which we spend 1.75 million for management. Naturally it is not only private entrepreneurs who can turn to us, but rather anybody who has a technological development problem. Our primary goal is not to make a profit, but rather to help to get as many new inventions as possible off the ground.

12588
CSO: 2500/86

ECONOMY

HUNGARY

NEW SYSTEMS FOR TAXING POPULATION INCOME

Budapest FIGYELO in Hungarian No 47, 21 Nov 85 p 19

[Article by Dr Mihaly Kupa: "Changes in The Population's Income Taxation"]

[Text] Beginning with 1986, there is no mention of introducing a system of unified personal income taxation. (Concerning the same topic, see the statement of Deputy Minister of Finances Laszlo Bekesi in FIGYELO No 45, 1985.) Furthermore, the regulations now ratified do not affect the system of taxing agricultural incomes from household plots, the taxes of associations, the contributions to the national health insurance, and the rules concerning sales taxes.

Who Is Affected?

The modification affects approximately 1.2 million citizens, those who have already been paying income taxes. In other words, it concerns private artisans, private merchants, white-collar professional freelancers, members of associations (such as enterprisal economic work associations, specialist groups, and associations that operate on contract or lump-sum bases.) These include about 450,000 citizens; we must add to these the approximately 800,000 individuals who pursue taxable income-producing activities on a part-time or occasional basis (teachers, translators, etc.).

General income tax rates will change so that, beginning with 1986, the contributions for community development (KOFA) will be incorporated in the system, in accordance with the following principles:

--up to 80,000 forints taxable income, the tax rate will remain unchanged (in other words, in this category the taxpayers "gained back" their earlier tax burden).

--at the same time, for taxable incomes between 80,000 and 200,000 forints, the 20 percent community development contribution (KOFA) will be gradually incorporated in the tax-rate.

Finally, in cases of income above 200,000 forints, the tax burden will be relatively heavily (3-8 points) increased.

Two additional pieces of data, in order to evaluate the above: During the first three quarters of 1985, the average annual wage in the state and cooperative sectors was between 64 and 65,000 forints. At the same time, taking into consideration activities that fall in the category of general income taxes, 95-96 percent(!) of private artisans and merchants paid taxes on incomes below 200,000 forints during 1985. Beginning with 1986, the withholdings according to the new tax rates will look like this:

Table I.

Net Tax Base in 1,000 forints	Tax in forints	Percentage	Changes as compared to 1985 burden in forints
40	1,600	4.9	- 320
60	3,600	6.0	- 720
80	7,600	9.5	- 1,520
100	13,600	13.6	- 320
150	36,100	24.1	- 620
200	58,600	29.3	- 920
300	120,600	40.2	+ 1,080
500	270,000	54.1	+ 19,080
1000	656,000	65.6	+ 20,480
1500	1,056,000	70.4	+ 30,480

--Note 1: Net tax base, i.e. the sum remaining after adding up all obligations (e.g. contributions to the national health insurance) and deducting all concessions (e.g. deductible personal expenses).
--Note 2: Income tax for 1985 + 20-percent contribution to community development (KOFA).

In the category that previously paid a 10 percent contribution to community development (associations, lawyers, white-collar professionals), the incorporation of a 20 percent contribution to community development was ameliorated by increasing the amount of tax-free personal and utility expenses.

Resulting from the increase of cost proportions, in 1986 the income and disposable income of various activities will look like this:

Table II.

		Disposable (after-tax) earnings of Private artisans/merchants in 1,000 forints	Members of associations
150	With 1,000	92.5	93.0
200	forints of	112.9	116.3
500	earnings	201.0	227.4

To Stimulate Innovation

Creative intellectuals (writers, artists, and performers) have already been taxed in accordance with a different accounting of expenses. From 1986 their average taxes will be about half of what they paid in 1985. This reflects the desire to continue stimulating interests connected with creativity. The new regulations significantly increase the number of concessions tied to taxable activities and stimulate innovative approaches. To mention only the most important points:

--The so-called social exemption (based on age, handicapped status, or private activties as artisans or merchants) was increased from 48 to 60,000 forints.

--In locations where public utilities are not available, the concession allowable by the local councils has been increased from 50 to 120,000 forints, and at the same time it is now applicable to all small enterprises.

--Taxes paid for workers employed by private artisans, retail merchandising, and small enterprises have been reduced from 20 to 10 percent.

--Each year, 70,000 forints tax exemption per person can be claimed for innovations and patents. At the same time, in order to stimulate innovation, the tax concessions of small enterprises implementing new technologies and patents have also been increased.

New Methods

There have been significant changes in the methods of taxation. As of 1986, small enterprises will pay taxes in the following three ways:

--Thosewho possess more significant incomes will shift to the so-called self-taxation (which is similar to the method now used in connection with the enterprisal economic work associations). Private artisans having sales in excess of 2 million forints, private merchants having sales in excess of 8 million forints (but, in both cases, having more than 500,000 forints of taxable income) will shift from today's practice of tax-levying to self-taxation. In other words, those falling into these categories will compute their own taxes and pay them without any notification, with stricter bookkeeping requirements (dated record books, bank accounts, etc.) than presently applied. In these categories, the taxing authorities will perform audits only.

--Below the 500,000 forint income level, citizens can choose betweeen the traditional procedure of tax-reporting or the new type lump sum taxing method. (There will be no change in the traditional procedure.) The substance of lump sum taxing is this: taxes will not be paid on the basis of earnings, but on the basis of receipts, and tax rates will be determined three years in advance. The determination of lump sum tax amount will take place in negotiations between the taxpayers and the taxing authorities, with the agreement of citizens' interest groups. We will institute eight lump sum classes, with three tax categories--low, medium and high--in each class. While the tax amounts are higher than those that appear in the new table of tax rates, on the one hand they provide a three-year security for the taxpayers, and on the other hand they enable the taxpayers to manipulate their investments in such a manner that their incomes increase in any given receipt category--without paying taxes on such a surplus. (Naturally, significant changes in receipts--decreases or increases--must be reported to the authorities, who will continue to exercise suitable control in the future.)

--While it is not a part of the changes in the taxation system, another important new regulation states that as of 1 July 1986 the 10 percent fee payable in connection with the transfer in ownership of automobiles received from abroad (as a gift or the like) will be discontinued. In accordance with the new rule, an income tax for 50 percent of the customs value of the motor vehicle (any motor vehicle) must be paid, if its ownership is transferred (it is sold). (Until now, 60,000 forints had to be paid at the time of selling a Mercedes that has a customs value of 600,000 forints; in accordance with the new rule, this fee will become 120,000 forints.)

Different Apparatus

Beginning with the second half of 1986, there will be organizational changes as well: the taxing apparatus of the local councils will take over responsibility for the taxation of private artisans and merchants. The discontinued tax offices will operate as offices determining the tax rates, attached to the councils, in Budapest and in the county seats, while tax- and fee-offices will operate in the county towns. The procedure for levying the taxes will not change (the taxing of private artisans and merchants will be the task of county offices determining taxes).

In order to more effectively discover and tax the so-called "black incomes," a special section will be established which, in cooperation with the responsible organs, will significantly improve the speed and efficiency of control.

These modifications taking effect in 1986 are once again indicating that in the long run our economic leadership regards small enterprises as useful and respected members of our socio-economic life.

12588
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STATISTICAL BUREAU REPORT ON PRODUCTION, EXPORT

Budapest FIGYELO in Hungarian No 47, 21 Nov 85 p 19

[Unsigned article: "The Central Statistical Bureau (KSH) Reports: Industrial Production Barely Increased, Export Significantly Decreased "]

[Text] During the first three quarters of the year, the production of industrial firms was 1.1 percent higher than a year before. Among the most important branches, the chemical industry increased its production by 3.6 percent, and the machine industry by 3.4 percent. Mining productivity slightly surpassed, while those of the food processing and light industries approached the level for January-September of 1984. In metallurgy and in the manufacturing of construction materials the production level decreased.

The level of export sales for industrial commodities, which fell below the 1984 level during the first six months, exhibited an 8.4 percent growth during the third quarter, and thus for the nine-month period it exceeded by 2.1 percent the level of the previous year. The volume of domestic sales rose by 1 percent.

As for agricultural goods, the volume of sales of crop-cultivating and gardening products combined was 3.4 percent lower than during the first three quarters of the previous year. However, in vegetables and fruits the volume of sales has increased. They sold 2.2 percent more beef, 2.8 percent more sheep, and the same amount of poultry as last year. The purchasing of pork and meat products lagged behind that of the previous year.

Activity by the contract-based construction enterprises, which accomplish about half of the building and equipment installation tasks, was 8.7 percent below the level during the same period of the previous year, attributable in part to unfavorable weather conditions during the early part of the year, limitations placed on energy consumption, and reductions in the investment budget.

During the nine months there was 2.6 percent less money allocated for investment by the socialist sector than in the previous year. (During the third quarter of this year, investment activity became more lively, primarily on the enterprisal level.) Construction investments decreased during the first three quarters. The volume of investment spent on machinery, due to significantly increased machinery purchases outside the ruble-based economies, has surpassed the level of the previous year by 2 percent.

The population's income derived from central sources was 8.4 percent higher than during the same period of the previous year. Within this category, the wages of workers and employees have grown by 6.7 percent. In manufacturing industries, wages increased by 8.5 percent, in the construction industry by 6.4 percent. The population obtained 0.8 percent more income from the sale of agricultural goods than during the previous year.

The volume of retail sales showed an increase of 7.1 percent in current prices; adjusting for price-increases, this means a 1 percent increase. The volume of trade has grown by 1.6 percent in foodstuffs and luxury consumables, and by 1.4 percent in miscellaneous industrial articles; while in clothing items it has decreased by 3.3 percent.

Figuring in current prices, the level of import showed 7.0 percent, while the forint value of export a 1.6 percent increase over that of January through September of last year. The foreign trade balance for the period of January through September (taking into consideration the actual freight costs) closed with a 5 billion forint deficit.

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PROPOSAL TO AID DISADVANTAGED AGRICULTURAL COOPS

Budapest FIGYELO in Hungarian No 1, 2 Jan 86 p 13

[Interview with Dr Sandor Misi, director of the Cooperatives and Business Administration Affairs Main Department of the Ministry of Agriculture and Food, by FIGYELO agricultural affairs staffer Peter Bonyhadi: "Rescue Attempt"; date and place of interview not given; first three paragraphs are FIGYELO introduction; boxed material by author as indicated]

[Text] Living conditions and the production level in seven megyes--Borsod, Szabolcs, Bekes, Vas, Zala, Somogy, and Baranya--are lagging so far behind the national averages that they are causing tension practically of nationwide proportions.

In spite of the fact that agricultural policy is devoting special attention to the situation of the large-scale farms operating under below-average natural and economic conditions, farming in the mentioned regions is unable to ensure the conditions of even simple reproduction, and the means of providing profitable employment are lacking almost completely.

Peter Bonyhadi of our staff has interviewed Dr Sandor Misi, director of the Cooperatives Main Department within the Ministry of Agriculture and Food, about the causes of this situation and the possibilities of solving it.

No Common Denominator

[Answer] By way of introduction I should perhaps point out merely that general regulations for aiding agriculture are unsuitable for taking into consideration unfavorable factors other than soil quality, such as, e.g., the threat of floods and poor drainage, a production structure based on regional traditions, a dissipated infrastructure of poor quality, the absence of industries, the demand for more jobs than what the region is able to support, etc.

Therefore the large-scale farms operating under such conditions have been lagging in their development, and the financial difficulties in their operations have become constant. There are in all between 140 and 160 such large-scale farms, farming on over 500,000 hectares, which is 13 to 15 percent of Hungary's total area of farmland. These farms account for 32 to 40 percent of the output of the cooperative farms in their respective megyes.

The overwhelming majority of these cooperative farms are disadvantaged. The cadastral value of the plowland on most of them is below 17 [Austro-Hungarian] gold crowns. Their capital-labor and working capital ratios are low. They are coping with constant shortages of experts. And their ability to assume risk is minimal.

Nearly three-fourths of the financial deficit during the past 10 years is concentrated in these regions. The farms' yearend losses and fund deficits that the state budget has absorbed total close to 6.0 billion forints. A 1979 joint decree of the Ministry of Finance and the Ministry of Agriculture and Food prevented a further deterioration of the situation. It is actually a comprehensive package of measures, with a price tag of 1.0 billion forints, embracing the entire production process.

[Question] You mentioned that many kinds of unfavorable factors are hampering these cooperatives. It is indeed impossible to draft special regulations that take so many different aspects into consideration, respectively their application alone would be unable to produce a lasting result. Therefore what is basically common that could be changed with the aid of economic instruments?

[Answer] It is impossible to find a common denominator. In a substantial proportion of the cooperatives farming in these regions, the production structure that has evolved by tradition is the source of serious losses under the present system of economic regulation. Indispensable amelioration, which in many cases would mean merely simple drainage, has been neglected or considerably delayed practically everywhere in these regions, because the agricultural cooperatives are strapped for cash. Yet not even the price of the seed can be recovered on fields that are threatened by floods or have poor drainage.

Costly Small Businesses

Cattle and sheep determine the livestock production of the disadvantaged farms, but the profitability of these branches of livestock production is below the national average to begin with. The development of industrial activity and services in these regions began late and in the wrong direction. For example, the small businesses established primarily in the capital did nothing to relieve the problems of local unemployment. Because of the distance and the difficulty of supervision, moreover, several of these small businesses ran up substantial losses for their parent agricultural cooperatives.

The obsolete stock of fixed assets and working capital that is geared to the one-sided production structure, and the backward infrastructure in the small villages do not attract agricultural experts. And the recurring failure is conducive neither to pledges of increased performance, nor to labor discipline.

[Question] The argument is familiar that the country cannot afford to dispense with the farm output of these regions where the conditions of farming are unfavorable. For local economic managers, however, the prospect of showing a loss year after year, and of accepting all the personal consequences of unprofitable operation, is not the brightest one, either. What is there new that you could say in this situation?

[Answer] I do not think that we have to invent anything new in these regions. We merely ought to achieve--and imagine this "merely" in quotation marks--that farm production does not show a loss when weather conditions are approximately optimal, and that industrial and service activity of acceptable profitability supplements farming. The most important thing in this region is to set up--in a differentiated manner, of course--economical production, instead of the one-sided quantitative increase of the output. For example, crop production is typical in the disadvantaged regions, with the exception of Borsod Megye; but the rationalization of land use, an essential condition for profitable farming, has not been solved as yet.

We ought to afforest at least 6,500 to 7,000 hectares in these regions under the 7th Five-Year Plan. The area of plowland used to grow forage crops could be reduced by establishing or renewing about 4,000 hectares of grasslands. And between 10,000 and 11,000 hectares more ought to be sown with grass to conserve the soil. In five to ten years, about 1.0 billion forints ought to be spent on these projects.

The threat of floods and the poor drainage in these regions ought to be reduced to a minimum, which would cost--at today's prices--a total of nearly 6.0 billion forints under the 7th and 8th Five-Year Plans.

Paper Wealth

[Question] After five to ten years, then, the farms would be able to do what they like on these areas?

[Answer] No! Not even the farms are capable of miracles. Disposition of the area under crops would have to be changed. Instead of corn that does not thrive because of the weather conditions, for example, preference ought to be given to cereals. The area of forage crops freed by the aforementioned grasslands ought to be used to grow industrial crops--sunflower, soybeans, hemp, etc.--provided we are able to develop a suitable system of machinery and implements for them.

[Question] Actually this solution does not require much foresight and planning if the money for it is available. Once you have established the necessary technical base, you only need to operate it.

[Answer] All the same, this is not so simple. Because of the smaller area per farm, for example, the replacement and repairing of crop production's stock of machinery should be solved jointly, within the framework of joint operation, rather than separately by farms. First, because this way the farms could find it easier to come up with the approximately 2.0 billion forints for the investments this would require. And secondly, it would be easier to take advantage of the automatic subsidies and other state aid for the procurement of farm machinery.

[Question] Would it not be possible to achieve faster growth by modifying the structure of livestock production?

[Answer] That, too, must be based on crop production. Incidentally, livestock production in the lagging regions is characterized by herds of heterogeneous quality, wide variations in the acreage per farm, and differences in the technological level and animal-husbandry practices.

Almost without exception, the buildings used to house the livestock were built in the 1968-1973 period. Sheep are housed mostly in makeshift shelters. There is hardly any machinery for the reliable production of good-quality fodder, and therefore the utilization of fodder is inefficient. There is a wide discrepancy between the book value and the actual value of the livestock, and this inflates the stock of working capital, respectively the value of the farms' assets.

In view of the existing conditions, the most important task is not a change in the structure of livestock production--after all, the regions in question are suitable primarily for raising cattle and sheep--but the upgrading of the breeding stock, modernization of the technologies of keep, and the ensuring of a suitable supply of feed and fodder. The system of economic regulation for 1986 also encourages these efforts, especially in cattle breeding.

[Question] In these regions, I suppose, it is not always possible to think in terms of large-scale farms of customary size. Would it not accelerate the development of these regions if we were to provide for their household plots, and for small-scale farming, incentives that differ from the average ones?

Economical Small-Scale Production

[Answer] In my opinion, there is no need to establish some kind of special zone. But contractual relations between the large-scale farms and the small-scale producers in the regions ought to be expanded further. And the large-scale farms ought to resort more boldly to the practice of letting small-scale producers operate certain branches of their farming, but without changes in the form of ownership.

[Question] After the unfavorable experience to date and under the given conditions, what are you planning to do with the cooperative farms' ancillary activities?

[Answer] Due to differences in local conditions, the requirements for the development of industrial activity and services likewise differ in the individual districts that are included in the program for the development of regions and settlements. In view of agriculture's limited ability to create jobs, and of the pressure to provide employment, among the megyes in question there will be a need for local, nonagricultural businesses, employing mainly semiskilled labor, primarily in Szabolcs and Borsod.

It will be necessary to investigate what opportunities there are in these regions for improving the profitability of the farms' principal activity. These opportunities should include, among other things, also the expansion of food processing or preprocessing.

First Round

[Question] Presented this way, your argumentation is very impressive. But it would be even more effective if you could tell us in somewhat greater detail, for example, where and what the farms could do.

[Answer] In the Szatmar and Bereg region, the farms could create jobs by establishing or expanding plants for crushing limestone, utilizing the gravel deposits and flared gas. In several regions, the expansion of cottage industries could come into consideration. In the Zahony area, the solution could be participation in supplying the reloading district's manpower demand on the basis of cooperation, and the processing of imported timber. In Nyirlugos and the Vallaj-Merk area, the cooperative farms ought to form associations for processing farm products. On most large-scale farms there are opportunities to engage in the production of general metal goods, plastic and other household products, and products of the supplier industries.

Some of the mentioned development projects could begin already in 1986, with aid from central resources. The managers of all the farms concerned will be informed soon about the program's other ways and means, including opportunities to submit tenders, the generally applicable and special grants and subsidies, and credit terms.

[Question] What can we expect of this program that will cost several tens of billions of forints?

[Answer] The specific results of the program's implementation will depend primarily on the amount of resources that can be made available, on the scale of the applicable preferences, and on the production and human-engineering factors. In the present state of the program's elaboration, a solid answer to your question is not possible, but the main results can be outlined.

The branch program's realization will enhance the more efficient utilization of the country's backward regions, and their participation in the mainstream of Hungary's economic and social life. It will increase the regions' ability to provide jobs and will eventually permit the curtailment or phaseout of state subsidies. With changes in the production structure, the level of production on the farms in question could improve by about 20 to 25 percent.

[Box, p 13]

Peter Bonyhadi: Potential of Cooperative Trucking Underexploited

I am not bringing this up because the agricultural cooperatives are in any particular need of protection from small businesses. After all, the integrational relations between the household plots and the large-scale farms prove the exact opposite. Indeed, one could perhaps venture the opinion that a large-scale farm might even find it stimulating if small-scale producers or small entrepreneurs forced it to compete, to really compete, in some activity.

Up to now it has been customary to mention real competition always on behalf of small-scale producers and small entrepreneurs. Because the large-scale farms, with their more extensive system of relationships, have found it easy to create a situation such that their small competitors have already been glad even to avoid having to competing with them.

But there is one area of competition within agriculture where the bigger competitor, the large-scale farm, starts with a handicap. And that area is trucking!

Here the point is not that private truckers in the provinces are more polite than the truck drivers of the cooperative farms. Nor that private truckers consider it natural to provide services of which cooperative-farm trucking has never even heard. The less so because the incentive system of the cooperative farms stimulates also their truck drivers to solicit as much business as they can, and to keep fuel costs as low as possible, to the mutual advantage of the cooperatives and their truckers. And this is specifically where the agricultural cooperatives' trucking fleet falls hopelessly behind the rural private truckers.

For private individuals, and hence also the household plots, are able to buy heating oil for much less than what the large-scale farms pay for the same grade of light but desulfurized heating oil, also known as diesel fuel. So far so good. But the trouble is that at the fuel pump it is impossible to tell where the oil being filled into jerry cans will end up eventually, whether in the stoves or in the tanks of private trucks. To begin with, provincial private truckers are thus able to offer their services for 30 percent less than what the trucking service of a cooperative farm would have to charge for the same cargo to the same destination. Once the autumn hauling for the farms has been completed, for example, the trucks of the Bekes Megye agricultural cooperatives are standing idle in the yard next to the repair shop, or parked in the street in front of the truck drivers' homes, because there is no cargo to haul.

At first glance this is only natural. After all, nobody will be willing to pay 30 percent more to have his building materials trucked in, or his fattened livestock hauled away, merely to support a socialist large-scale farm's trucking service.

But it is an entirely different question how disadvantageous it is from the economic point of view if in agriculture, which otherwise is coping constantly with transportation problems, the available transportation capacity is not fully utilized, due to a difference in fuel prices. Merely because there is no hesitation to fill up the tank of one truck with cheaper household fuel oil, while the other truck runs on more expensive diesel fuel.

Of course, raising the price of household fuel oil is not the solution! Equal conditions in the competition must not be ensured for the agricultural cooperatives' trucks at the expense of the rural residents who use fuel oil to heat their homes and do their cooking. All that is required is that the possibility of procuring fuel for 30 percent less be taken into consideration when assessing the private truckers' taxes.

1014
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SITUATION OF CONSUMER GOODS SUPPLY, TOURISM DESCRIBED

Budapest NEPSZABADSAG in Hungarian 14 Dec 85 p 5

[Interview with Minister of Domestic Trade Zoltan Juhar by Csaba Egerszegi]

[Text] Tomorrow will be Silver Sunday [second Sunday before Christmas], and in about a week and a half it will be Christmas. The year-end seasonal shopping spree is reaching its peak in the outlets and department stores. Some people leave these places satisfied, others are irritated, and their opinions concerning merchandising, the supply of goods and shopping conditions will be formed accordingly. Consumers are never indifferent as to what they spend their money on and what they receive for it, nor is it irrelevant to them how they are treated by those standing behind the counters. "How are commerce and tourism able to fulfill their functions?" is the topic of our conversation with Zoltan Juhar, Minister of Domestic Trade.

[Question] How does the holder of this portfolio judge this year's supply of goods?

[Answer] First of all, I would like to emphasize that we preserved the global coordination between the purchasing power of the populace and the stock of goods. This year's supply of goods--with the exception of heating fuels--basically corresponded to the demands of the national plan. The food supply continues to be good and on the whole balanced, reflecting the accomplishment of our agriculture and food processing industry, which have been judged favorably even on the international scale. Throughout the year, there was plenty of the most important foodstuffs (flour, sugar, milk). The offering in meats and meat products is adequate, and there has been an improvement in the selection of less expensive meat products. The trade in poultry increased by 10 percent. The supply of healthy low-fat milk and dairy products has been enlarged. We succeeded in producing plenty of potatoes, vegetables and fruits, and offered it to the consumer for prices that were lower than expected.

Shortages Occurred, Too

There were also shortages of some products. There was not enough sunflower seed oil, prior to the processing of the new crop there was a shortage of spice paprika, and there was not enough processed milk either.

Compared to last year, the stores had improved their stock of clothing articles. This is illustrated by the volume of trade, which has increased during the past few months. Selection improved in hosiery items, warm-up suits and baby clothes. In other items (draperies, upholstery products) there were signs of over-supply. It should also be mentioned here that, due to the limited import opportunities, it was impossible to satisfy all demands for several fashion articles. The supply of industrial goods--with the exception of solid fuels--is somewhat better than it was last year. In building materials, the balance between supply and demand has been reestablished. In spite of more dynamic merchandising efforts, we have not succeeded in satisfying demands for some household appliances (color televisions, refrigerators, freezers). We imported the same number of automobiles as during the previous year, so the waiting period, especially for the much sought-after Ladas and Skodas, has not been reduced. On the other hand, buyers receive their Trabants or Wartburgs within a year of making their payments.

Will There Be Enough Heating Fuel?

[Question] During the recent past, the population was most aggravated by the shortage of coal. What can we expect in the future? Will there be enough heating fuel in the yards?

[Answer] Since last winter, the government has introduced several measures to solve the problems caused by the shortage of solid fuels. The mining industry made sacrifices to make up for its past delays, and this year delivered on schedule. We also imported about 800,000 tons of fuel above the planned quantity; this is arriving according to schedule, so that the shortage will be gradually reduced. We have already reached the point where the fuel-yards always have some kind of heating fuel available, although there are shortages of certain sought-after quality domestic and import coals. Based upon our preparations for the next year, we feel that the trend of improvement is permanent.

The changing market conditions call for merchandising methods different from our past practices. We have made sure that, even before the winter season, the population would be able to purchase some kind of coal, and provided a one or two-month supply for institutions (schools, hospitals), making sure that those will be able to gradually replenish their stock. We also introduced the practice of lay-away purchasing of fuels, providing a sense of security for everyone.

The fuel-supply stores honored most of the fuel coupons issued by the trade unions (SZOT), and we hope that before the end of the year we can satisfy every waiting consumer, even if we are unable to provide the type of coal desired.

[Question] What is the ministry doing in order to alleviate the permanent, and annually re-occurring, shortages of industrial goods (color televisions, large refrigerators, water heaters, freezers)?

[Answer] As for the purchase of the items you listed, our country has also reached a stage of generational change. This explains why there has been an explosive increase in the popular demand for these during the past few years. These products of our industries, however, are also popular on the global market. Our problem is that, due to lack of production capacity, our manufacturers cannot simultaneously satisfy the demands of domestic and foreign markets. In the longer run, only the broadening of production capacities could bring a satisfactory solution to this problem. In the meanwhile, domestic merchandising attempts to improve the supply of such appliances by importing them. For example, we are purchasing automatic washing machines from the GDR and from Czechoslovakia, and refrigerators from the Soviet Union. Using the methods of direct barter, domestic merchandising enterprises and cooperatives obtain a large amount of manufactured products (such as Grundig color television sets, Siemens freezers, Gorenje refrigerators) as well as television picture tubes to be used in domestic manufacture, and this lessens the shortage. For example, this year one and a half times as many color television sets and 60 percent more freezers reached the stores than last year. At the same time, the growing demands for modern products caution us to prepare for the proliferation of new items (video recorders, personal computers) in consultation with the interested parties and exercising more foresight.

[Question] What is this year's trend in the import of consumer articles? Will the items obtained through barter serve to increase prices, and how much?

[Answer] As of now, about 15 percent of the goods in domestic commerce are imported. The products purchased abroad serve to satisfy our basic needs, since most of them are not manufactured, or are not manufactured in large enough quantity, or--due to natural circumstances--cannot be cultivated in this country (sewing machines, automobiles, citrus fruits, coffee, tea). There are times when the quantity of import cannot be increased to the level desired, either because of external trade circumstances or the lack of suitable sources. As a result, contrary to our desires, imports became less instrumental in stimulating domestic industries to modernize and follow the fashions.

We purchase a larger share of products from our socialist partners. Nearly 70 percent of the rubel-accountable import is based on international agreements. The direct barter trade of domestic merchandisers and cooperatives, which is increasing each year, is becoming more and more important. Due to various configurations--such as trade along the borders, the weeks dedicated by department stores to the goods of certain nations, or the contacts between sister cities--the selection and the volume of trade along the borders has come to constitute about 30 percent of import from socialist countries, as opposed to the earlier share of 8-10 percent.

Import from the non-rubel accountable areas has increased by a total of 2 percent. Looking at the shop windows, the shortage of goods imported from capitalist countries is not apparent. The reason for this is that our merchandising makes more effective use of opportunities for Western imports. Each year, new international cooperative arrangements are put into effect, through which popular brand-name products reach the domestic market. The import of Olympos citrus juices, Fa deodorants, Nestle's coffee and cocoa products, Felina and Triumph lingerie and swimwear, Lee Cooper, Levi Strauss, Wrangler and Adidas clothing items are examples of such arrangements. Taken together, the price level of imported goods is rising more slowly than that of domestic products. According to the latest statistics of the Central Statistical Ofice (KSH), as of the end of September, the price of appliances purchased abroad rose by 3.3 percent as compared to last year, while the price of domestically manufactured goods rose by 6.7 percent. In the category of clothing items, the price increase of imported items is 2 percent lower than that of domestic goods.

Our Foodstuff Commerce In Difficult Situation

[Question] We can be proud of our supply of foodstuffs, but, regrettably, the merchandising of foodstuffs is facing increasing difficulties; what is more, the closing of several hundred food-stores implies that the situation is becoming desperate. Tensions are particularly high in the capital city. What suggestions does the ministry have for the solution of the problems?

[Answer] The situation of domestic foodstuff merchandising is not only an economic issue, but also one of politics. Valid consumer demands are increasing. It is natural that consumers wish to purchase their daily necessities under civilized circumstances, in stores that are open in accordance with popular desires. The reason for having most of our problems in Budapest and in the city's environs is the less profitable nature of foodstuff merchandising, as compared to other branches of commerce. In this field, only 1.8-2 of every 100 forints can be considered as profit, while in other areas of commerce profits are around 3-4 forints. Even if we take the governmental subsidies into consideration, in foodstuff merchandising the profit margin has barely changed during recent years. At the same time, certain costs (energy, the price of packaging) have increased, regardless of the economizing measures taken by the enterprises. Thus, the proportion of profits in these fields has decreased. This meant that there was no opportunity for increasing selection to accommodate the demand of the customers, for mechanization, or for the improvement of remuneration. All of these factors led to the deterioration of technological standards and, especially in Budapest, to labor shortage.

The key to improving conditions in merchandising over the long run is the creation of increased profit margin. The government agrees with us in this question, and this is illustrated by the fact that during 1986 the level of profit margins in the retail of foodstuffs will increase by almost a half a percent, primarily at the expense of the national budget. Within two or three years we will atempt to further raise this level. In addition, the state gives various concessions to the food industry, in an attempt to stop the unfavorable trends and improve the circumstances of shopping.

Progress With Contradictions

[Question] Can we expect improvements in shopping conditions and the technical equipment of merchandising to be more rapid in the future than they are now?

[Answer] During the period of the Sixth Five Year Plan the network of stores increased more rapidly than planned, in order to keep pace with the increasing demand. In the cities and in the capitals of counties, state and cooperative department stores have been built according to plans. As a result of this, modern shopping centers have been created in Budapest, and these relieve the pressure on the downtown area.

There has also been progress in the supplying of smaller communities. The consumer cooperatives continue to develop the network of merchandising outlets in these localities, in accordance with the plan, and enjoying the support of the National Federation of Cooperatives (SZOVOSZ). However, state and private merchandising must also become increasingly involved in the supplying of these areas.

As for the mechanical and technical standards of merchandising, progress is slower than desired. True, the number of cash registers and refrigerators has doubled during the last decade, but there is still a need for more cash registers and modern scales. At the present time, only 800 electronic cash registers and 500 electronic scales operate in 17,400 food stores. In the near future, we would like to make further progress in these areas, too.

[Question] With the proliferation of stores operated by private individuals on a contract (sublease) basis, does the protection of the customers' interests suffer?

[Answer] Experience shows that the new operational forms have proven themselves in merchandising. They improved the supply of goods and the conditions of shopping, while also contributing to an increase in enterprisal and budgetary receipts. As of today, 32 percent of the retail merchandising network operates in this fashion, and these outlets make 30 percent of all sales. In this area as well, the Ministry devotes great attention to protecting the interests of consumers. Until now, our spot checks have shown that direct financial injury to the customer is less serious in the stores operated by contractors than in the traditional outlets. In test purchases made last year, the proportion of protested items was 17.4 percent, while the national average is 24 percent. Some of the irregularities result from a lack of information on the part of the store operators. Therefore, in addition to the continued control and calling to account, we must also devote more attention to the continuing education of employees in this area.

Our Tourism Had A Good Year

[Question] Let us switch to the issue of tourism: In your opinion, how could the past year be evaluated, how did our income in this area develop?

[Answer] Our tourism had a good period last year. There has been increased interest in our country, both on the part of socialist and Western countries. Our hard currency income developed according to our plans. The number of foreign visitors is growing by 13-14 percent, and now approaches 15 million. Interest in our country continues to grow among the countries of the CMEA. The number of arrivals is expected to be 10-10.5 million, or 1-1.5 million more than last year. This increase is primarily attributable to the broadening of tourism in Czechoslovakia, and it is related to the change in the korona-forint exchange rate. This year, approximately 4 million Hungarian citizens will travel to the other CMEA countries, which--with the exception of Czechoslovakia--roughly equals the average of the previous years. The demand for trips to Czechoslovakia decreased somewhat, due to the previously mentioned changes in the rate of exchange. Our touristic contacts with Yugoslavia have grown significantly; the number of visitors from that country and the number of Hungarian tourists travelling there have increased by 14 and 30 percent, respectively.

We expect nearly 4 million visitors from Western countries, which is 6-7 percent more then during the previous year. During the first ten months our hard currency income (figuring in dollars) has increased by 5.5 percent. In light of this, we expect to reach a 6-7 percent annual growth rate, which equals 280-285 million dollars. On the other hand, we are troubled by the fact that the amount of income per days spent by tourists in Hungary has decreased. As for Hungarians visiting Western countries, we expect 760-770,000 such travellers, which exceeds the figure of the previous year by 20-22 percent. There has been a particularly sharp rise in interest toward shorter shopping trips.

[Question] During recent years, a series of hotels and other facilities have been built with the aid of Austrian loans, and several older facilities have been renovated. Will these investments be justified?

[Answer] During 1985 the number of so-called commercially usable rooms has increased by 30,000 from the previous year. Nearly 3,000 new, or renovated, hotel spaces were at the disposal of guests. The number of privately owned and registered guest rooms has increased by 27,000, and the state's income derived from taxing these facilities has also increased. The results indicate that the regulation of private registered guest rooms, introduced two years ago, has proven itself to be successful.

The projects undertaken as part of the credit agreements between Hungary and Austria will be completed this year. The technical and management experiences of the new hotels are favorable. Their average annual occupancy rate is around 70 percent, and 85 percent of their guests are from Western countries. As a consequence, these hotels will meet, or even exceed somewhat, their loan-servicing responsibilities during this year. Thus, our capacity to receive tourists has significantly increased, especially when it comes to luxury hotels. Our future tasks include, in addition to the renovation of hotels, the development of medium-priced facilities, and the creation of cheaper dwelling units, campgrounds and cabins.

Domestic Tourism

[Question] In your opinion, how much progress have we made in the development of domestic tourism? What hinders further progress here?

[Answer] The development of domestic travel continues to be one of the great tasks of our tourist industry. Under present economic conditions, we must concentrate primarily on the broadening of vacationing and excursion opportunities that are geared to satisfy the more modest demands. For the purposes of touring the countryside, there are more than 1,800 dwelling units in 95 communities at the disposal of domestic travellers. By the end of this year there will be 2,000 spaces in the resort cooperatives Travel agencies and transportation firms alike concentrate on developing their less expensive programs and services. Just recently the Hungarian Association of Hotels published a pamphlet, offering 50-60 percent reductions at 90 hotels during the pre- and post-season periods. These programs are also aided by the fare reductions offered by the Hungarian National Railroads and Volan [bus company].

During the coming years we expect modest increases in domestic tourism, because demands in this area are influenced by real incomes and the cost of travel. In the improvement of offerings (dwellings, programs) we propose greater participation by the enterprises in the local councils, as well as by private enterprises. We also consider the development of inexpensive dwelling opportunities as one of our tasks.

[Question] The period of the Sixth Five Year Plan will end in December. How did the objectives of Hungarian tourism develop during the duration of the Plan?

[Answer] In accordance with our plans, the structure of our tourism has changed; the share of Western countries grew in travel as well as in the amount of earnings. As for the CMEA countries, the surplus income from tourism multiplied by one and a half times by the end of the period (to amount to 210-220 million convertible rubels, while the actual number of travellers has not changed significantly since 1980. Our earnings from the tourism of CMEA travellers during the duration of the plan will add up to 1.4 billion convertible rubels, of which 900 million is surplus income.

The number of those who arrive from Western countries has doubled, exceeding our plans. Our hard currency earnings have grown by 60 percent, and in the period of five years added up to 1.3 billion dollars. During the same period the number of Hungarians travelling to Western countries has increased by one and a half times.

[Question] Once again, we are facing multiple holidays: How did the profession prepare for the peak period in food shopping?

[Answer] Merchandising, together with all involved institutions, began to prepare for the year-end holiday season in time. We made sure that the supply of all basic foodstuffs would be plentiful. In order to assure a good supply of bread, merchandising and the bakeries utilized extraordinary reserves. Naturally, this also means that there will be more pre-baked and bread with preservatives in the stores. The supply of meats and meat products will equal the good standards that came to be expected during the previous years. There will be 3-4 percent more freshly cut meat, and 15 percent more poultry in the stores. In order to provide the traditional holiday meals, there will be plenty of turkey, pig knuckles and sausage. The quantity of fish will be similar to what was available last year.

Once again this year, the temporary holiday stores (such as the Golden Gate and the Gift Centers, etc.) have opened in the capital city and in the larger towns. Shopping will be made easier by the fact that from the middle of December the appliance stores of Budapest and the larger towns will have longer hours of operation. We also made sure that during the days immediately before the holidays the operating hours of larger outlets, markets and stores be in closer harmony with the demands of the customers.

[Question] Thank you for the conversation.

12588
CSO: 2500/121

PARTY'S EFFORTS TO KEEP CLOSE TIES TO MASSES EVALUATED

Tirana ZERI I POPULLIT in Albanian 25 Dec 85 pp 3, 4

[Article by Muharrem Xhafa, chief of education sector in CC of AWP: "A Broader Conception and a More Creative and Effective Realization of Ties With the Masses"]

[Text] Ties with the masses have always been an important matter and have continually occupied a special place in the activities of the party organs and basic organizations and of their levers. But under present conditions, it is necessary that these should be conceived more broadly and that they should be more effective and organized and better realized in practice, in the struggle against manifestations of bureaucracy, officialism and formalism, which lead to the separation of the communists and cadres from the masses and to the weakening of ties with them.

A broader vision in this area as well was opened to the party, the organs of authority and the economy, the mass organizations and the whole people by the very valuable instructions and advice given by Comrade Ramiz Alia during his visits to several districts of the country. In the first place, there is now a strikingly great appreciation of and concern with going to the grassroots and there are more efforts to ensure more vital and effective ties and encounters with the working masses by means of various forms. The cadres in the central organs and in districts have been going more to enterprises and agricultural cooperatives, to schools and military units. But the number of days which the cadres spend at the grassroots marks, so to speak, an achievement and is only an index of improvements which are being made. The important fact is that the ties between the party committees, the state organs and organisms and the social organizations and the workers and cooperativists, soldiers, pupils and students are being continually broadened. They are not limited to participation in seminars, meetings and analyses of party bureaus and organizations or mass organization councils and forums. They are also being realized through other activities: direct meetings in fields and production workshops, leisure activities, individual consultations and discussions with artists and specialists, often outside official environments, as well as through joint work, especially in recent months, with workers and cooperativists and in voluntary actions and work.

Ties with the masses constitute a great matter of content and principle, and they have a deep revolutionary significance. They are in no way an aim in themselves and cannot be limited to a few physical meetings and measured by the number of days spent by cadres at the grassroots or the number of people with whom they meet. The urgency of the work as a whole and, in this area, the closest connection of the communists and cadres with the masses involves the party's requirement that we should have a better and more timely knowledge of their problems and troubles, their thoughts and observations on work and people, and that action should be taken so that they find the required solutions in the appropriate time. If, for example, there is damage to socialist property, if foreign manifestations occur, particularly among youth, if a considerable number of pupils and students are kept behind every school year and absent themselves from school, if there are cases in art and literature, in the press organs, in radio and television, etc., where the life and vigor which have been expended in the bosom of the party and the masses for the realization of tasks are not up to the required level, then the work of the appropriate organisms cannot be said to have been at the level required by the times and the effect of ties with the masses and the grassroots, regardless of their numerical quantity, leaves something to be desired.

For the role which the cadres have in the realization of tasks, their vital ties with the masses make the need imperative for greater assistance to the grassroots in overcoming, as soon as possible, difficulties, shortcomings and weaknesses which manifest themselves. It is espeically necessary that they work more and give greater assistance in combatting manifestations of bureaucracy, officialism and formalism in their work with the masses, because such phenomena appear in the activities of some cadres and communists who often do not listen to the voice and opinion of the masses, who procrastinate and do not resolve their just requests and grievances, and who do not stand at the forefront of tasks. The masses seek and welcome to their bosom those cadres and activists who help them resolve tasks and who clear up their problems and open horizons to them. This also happens with the party organs and organizations, with the mass organizations and those of the press, radio and television, education, etc., which seek and eagerly welcome those cadres who go to them well prepared, open horizons for them and help them resolve their tasks at a higher level. This is by no means fortuitous, but a result of close links which are maintained with scientific level, and of the desire to have in their midst such scientists and specialists as those of the Shkoder Institute of Corn and Rice, the grain sector of the Institute of Agricultural Research in Lushnje and many cadres and specialists in other fields.

Both effectiveness in work and effectiveness of ties with the masses depend on the preparation that is made to face problems in all their aspects on knowledge of the concrete situation and the people we manage, on the manner and language in which we communicate with them, as well as on our example and direct commitment to the realization of tasks. Such preparation to know, face and resolve problems often goes wrong and is not made at the same level by all cadres, neither for the problems they pursue in the office nor when they go to the grassroots. Before we go to a district, Comrade Enver teaches us, we must be well acquainted with its condition and especially with the problem we will pursue, with what we will control, observe and analyze; otherwise, he continues, we fall unwittingly into the position of an observer and a listener and we are not in a state to give our considered opinion.

Ties with the masses and direct relations of communists and cadres with them constitute party work and, as such, cannot be accomplished outside working hours, just as communication with the people cannot be made with official papers and receptions. It requires, therefore, a closer spiritual bond with the masses, which is achieved when you are among them. "We do not have to designate a day for reception of workers in the office," say the management cadres of the "Misto Mame" wood combine in Tirana, when they speak about their experience of ties with the masses, "because we go to the workers every day. We meet and talk with them: they tell us their troubles and their observations about the work, and this practice is accomplished by the director, the party secretary and every brigade leader." They also receive workers in the office, but the data indicate that in this model combine, few workers are directed to the administration office. Comrade Enver taught us that in the sound ties of the party with the masses, officialism dies.

In order to realize such ties with the masses, a thorough comprehension is necessary, to gether with more initiative, more stimulation, organization and control, and a struggle against manifestations of spontaneity. We may say that we are far from what the party has instructed for management cadres: that on a Saturday or Sunday we should arrange a program and to to a village, a mine, a boarding schoool, a military unit, etc., for a leisurely meeting and talk with people, in order to explain and clarify a directive for them or to talk about their situation. This has not become a practice and work is needed to transform it into a good tradition and an organic part of the method of management. "When the leading local party and government administrators go systematically among the masses, when they become acquainted with and take into account their progressive opinions on the problems which concern them," instructs Comrade Ramiz Alia, "they set the whole apparatus into motion, sake them free from office work and bring them close to the workers."

When the cadres go down to the grassroots, espeically the cadres of the ministries and districts, and meet with cadres, specialists, workers and cooperativists, care must be taken so that they do not limit themselves only to the problems of the sector or to the problems which they cover as a sector. We say this because in practice it seldom happens that when they return from the grassroots, they bring back problems concerning other sectors and even in basic organization meetings, few questions are raised about the others. Broad interests is needed in the meetings and other forms of ties with the workers, communists, and districts because account is not taken of the fact that regardless of the sector in which someone works and regardless of the problems covered by the ministry from which he comes, issues are raised for resolution within the jurisdiction that has been given by the party and the state. Having ties with the masses, instructs Comrade Ramiz Alia, constitutes going to the worker and the cooperativist, to the pupil and the soldier, knowing their difficulties and troubles, resolving them on the spot and preventing solutions based on favoritism and interference of involving official documents and bureaucratic orders.

Another important problem is the further extension of radius of the movement at the grassroots. What happens? In some cases, it is limited to a few districts and enterprises, and many other districts and enterprises are left out. This does not mean that there should be a fixed number of times for visits to this or that district or to this or that enterprise, agricultural cooperative, school or military unit, but that there should be the most accurate planning possible and the most complete knowledge possible of the problems that exist. This knowledge is not gained solely by means of written information that is sent or by means of telephone calls, but by means of visits by their managers for reports and consultations. It is seen lately that the "geography" of visits to districts has been widened by many ministries, which have made interesting studies. It is important to bear this well in mind also because of the fact that through a more thorough knowledge of the problems of the districts, enterprises, etc., the cadres will be in a better condition to make suggestions and give more concrete directives for realizing tasks, as well as being more competent in the duties they cover.

Closer ties with the grassroots and the masses and better knowledge of their life and activities must also be reflected in the level of materials which are prepared and the analyses and discussions which are developed, as well as in the quality of problems which are raised and, generally, in a more obvious emancipation of these activities. We say this because there is often a tendency toward observation: few problems are raised and there is a lack of concrete proposals and measures which should be taken to resolve tasks. The education sectors of the party committees of districts, in particular, must make good observations and generalizations of the advanced experience which has been gained in overcoming difficulties and resolving tasks by the organs and organizations of the party and their levers. They must engage in wide propaganda through the press, radio and television, through publications and oral and visual propaganda and through the most effective emulation, so that our means of education and propaganda may assist as much as possible in diffusing more widely the experience and example of innovators in the work of the party and social organizations, as has been done with the experience of party and government organs in the Lushnje District and several other districts.

A very important area of ties between the party and the masses is constituted by the mass organizations. The party has always considered the work with its levers as absolutely necessary in order to realize its goals and program. The greater and more important the tasks which the party accomplishes, the more its concern and work increase with the mass organizations. From this viewpoint, they play a particularly important role in the education and mobilization of workers for the realization of the party's program. Certainly, each of the mass organizations has its own specific work. If must bear this in mind, but the strength of the single front among them, under the leadership of the party, is also needed.

12249/6662
CSO: 2100/18

FORMER TURKS ADDRESS PROTEST TO TURKISH PRIME MINISTER

Sofia OTECHESTVEN FRONT in Bulgarian 28 Nov 85 p 3

[Open letter to the Prime Minister of the Republic of Turkey from a group of Bulgarians from the Peoples' Republic of Bulgaria who have reestablished their Bulgarian names, dated 27 Nov 1985. Passages in slantlines rendered in bold face in text.]

[Text] Mr Turgut Yozal, We protest most vigorously against the systemic attempts that you are making in your capacity of prime minister of Turkey to interfere in the internal affairs of our homeland -- the People's Republic of Bulgaria -- and in our actions -- those of Bulgarians who have reestablished their names. As prime minister, you are undeniably right, and we would say morally obliged, to speak about and be concerned for the situation of the citizens of Turkey, but you have no right to speak on our behalf, trying to reduce us to the object of your self-seeking speculations and political games.

By flagrantly making unfounded accusations and warlike threats against the peace-loving Bulgarian people, you allow yourself to violate elementary political ethics.

We are disgusted by your efforts to justify all this before the highly responsible forum of the General Assembly at the UNO, and in other places with non-existant clauses in bilateral and international treaties. You no doubt know that there are no treaties that give you the right to interfere in foreign affairs, nor can there be.

You, Mr Prime Minister, and some of your ministers and officials are also concerning other international forums with questions belong to the exclusive competence of Bulgarian citizens, and then you submit to your own people that your slanders about Bulgaria find international support. But who has upported you in these attempts, and when? Why are you deceiving your own people? Do you think that such lies will pass?

We know the Turkish people very well. For centuries on end we lived side by side. The present-day Turkish people are politically mature. You can mislead them for a while. But then sooner or letter they will hold you responsible.

We are convinced that your actions will remain in the history of the Republic of Turkey as the grossest provocation against the Bulgarian people and against the people of the Republic of Turkey, who have proved that they can live in peace and good neighborliness. These actions, Mr Yozal, are a loud demonstration of imperialist feelings and aspirations. With what right do Turkish officials distribute in Muslim countries a map fabricated in Turkey showing that two-thirds of the terrirory of Bulgaria (including our sacred Batak, Perushtitsa and our ancient capitals of Pliska and Preslav) are lands inhabited by a non-Bulgarian population?! Is that not an expression of your illusory, imperial appetites and intentions toward our homeland? Your behavior recalls the pompous, presumption of an Ottoman vezir, but that is long since history.

You and your followers are attempting to cover up your imperialist pretensions under the veil of concern for the rights of Muslims in Bulgaria. There is no well-intentioned politician in the world who has visited the People's Republic of Bulgaria and not seen with his own eyes and not appreciated the freedom enjoyed by all religions in our country. You know this very well. However, you attempt to suggest other ideas about which we for our part are categorical, and we declare: the fact that some of us confess the Muslim faith is no reason for us to be considered Turks. What right do you have to confuse the religious and national feelings of Bulgarians who confess Islam. Your attempt to strike the attitude of spokesman for the Muslims of Bulgaria, of sole spokesman for the Muslim world, is both strange and disgraceful. Bear in mind that not a single Bulgarian -- neither atheist, nor Christian nor Muslim, has fallen into such a position that he needs your concern and protection.

As a political figure, Mr Yozal, you know very well that such attempts and attitudes are in gross contradiction of the Turkish constitution. On its very first page is written, black on white, that the Turkish citizens exist only in "indissoluble unity with the Turkish state", that no ideas can contradict the principle of laity, which requires "the separation of the affairs of church and state".

We would like to ask you what connection there could be between Muslims, who are Bulgarian citizens, and the Turkish state that you take upon yourself the right to speak on their behalf. As far as we know, you have not been proclaimed a caliph for the Muslims of the world to consider the Muslims in our country as your religious flock on that basis.

Since you like to pose questions to different international forums, would you tell us what has happened to the thousands of Bulgarians who live in Turkey? What is the fate of the Armenians, Greeks, Curds, Arabs, Assyrians and Albanians and others in your country? How is their national survival reconciled with article 66 of the Turkish constitution, according to which every subject of the Republic of Turkey is a Turk, or with the 1934 law of compulsory change of family names which obliges every citizen of Turkey to take for his family an assumed name, irrespective of his nationality?

Why, Mr Prime Minister of the Republic of Turkey, do you in your statements stubbornly avoid speaking about the condition of human rights and nationalities in your country? You remain silent about the 5 million unemployed, about the millions of Turkish citizens who are exiled from their own hearths and condemned with their families to seek subsistence in foreign countries! You mention nothing of the millions of Turkish young men and women, deprived of the right and the opportunity to receive an education and find their place in life! And what about the Kurdish children, condemned to illiteracy and misery?! Maybe it is precisely with respect to the Turkish citizens that you should be disturbed and show your concern for human rights! Admit that it was awkward for you and the rulers of the Turkish people the day you dared to slander our country and its citizens, on the very day that the European Parliament once more condemned Turkey for the lack of the most elementary democracy and for violating basic human rights.

People who live in glass houses shouldn't throw stones.

We Bulgarians who have reestablished our Bulgarian names don't expect answers to questions that are ours alone. They are clear to us and categorically resolved by us.

We hope, Mr Yozal, that you are still able, in your capacity of Prime Minister, to make a sober assessment of your actions up to now, draw the necessary conclusions and take the necessary steps in the name of neighborly relations and cooperation between our countries and peoples.

/Kamen Kalinov/, Member of the Central Committee of the Bulgarian Communist Party, Deputy to the National Assembly, chief editor of NOVA SVETLINA, honored cultural worker, Master of Arts (History).

/Nadya Asparukhova/, Candidate Member of the Central Committee of the Bulgarian Communist Party, Member of the State Council of the People's Republic of Bulgaria, secretary of the okrug committee of the BCP, Kurdzhali.

/Aleksandur Kolev/, Candidate Member of the CC of the BCP, public worker, Master of Arts (Philosophy).

/Blaga Tatarova/, Candidate Member of the CC of the BCP, member of the Bureau of the National Committee for the Defence of Peace, member of the Committee of the Bulgarian Women's Movement, Master of Arts (History), active fighter against fascism and capitalism.

/Orlin Zagorov/, Deputy President of the Council for the Development of Spiritual Values of the PRB, member of the Committee for Culture, PhD (Philosophy).

/Radi Semov/, Member of the Central Control and Revisory Commission of the BCP, Secretary of the okrug committee of the BCP, Kurdzhali, Master of Arts (Philosophy).

/Khristo Marinov/, Deputy to the National Assembly, Secretary of the National Council of the Fatherland Front.

/Nikolay Antonov/, Secretary of the okrug committee of the BCP, Shumen.

/Radul Chavdarov/, Secretary of the Central Committee of the Dimitrov Communist Youth Union.

/Asen Sevarski/, Member of the Union of Bulgarian Writers, poet, Deputy Chief Editor of NOV ZHIVOT, honored cultural worker.

/Zarko Khranov/, Member of the National Council and Ppesident of the okrug committee of the Fatherland Front, Kurdzhali.

/Svetlana Dilova/, Candidate Member of the CC of the BCP, member of the bureau of the okrug committee of the Bulgarian Women's Movement, public worker, Shumen.

/Yulia Pirinska/, Member of the Central Committee of the Bulgarian Professional Unions, President of the okrug committee of the Bulgarian Professional Unions, Razgrad.

/Alen Arnaudov/, public worker, deputy chief of department in the National Council of the Fatherland Front.

/Aldemir Siderov/, Assistant Professor at the Sofia University "Kliment Okhridski, PhD (History).

/Naum Shalamanov/, twice world champion weightlifter, honored master of sports.

/Mikhail Yanchev/, Member of the Union of Translators in Bulgaria, journalist, teacher at the Sofia University "Kliment Okhridski".

/Miryan Topchiev/, Chief Mufti.

/Andrey Andreev/, Journalist, member of the editorial board and chief of department at NOVA SVETLINA, Master of Arts (History).

/Marin Kolarov/, Secretary of the okrug committee of the BCP, Turgovishte.

/Yuliana Khristova/, Deputy to the National Assembly, public worker, student at the Sofia University "Kliment Okhridski".

/Sabotin Tasev/, Editor-in-chief at Bulgarian television.

/Vladimir Feradov/, long-serving public worker in Sofia, active fighter against fascism and capitalism.

/Delyan Tetev/, Member of the National Committee of the Fatherland Front, Sofia.

/Anton Iliyanov/, Member of the editorial board and chief of department at NOVA SVETLINA.

/Apostol Orlinov/, Secretary of the okrug committee of the Fatherland Front, Turgovishte.

/Subin Shterev/, honored master of sports, chief wrestling coach in the okrug committee of the Bulgarian Union of Physical Education and Sport, Turgovishte.

/Svetlana Yosifova/, public worker, Popovo.

/Boril Kosev/, hero of socialist labor, president of the agroindustrial complex in the village of Venets, Shumen okrug.

/Boryana Rafaylova/, okrug advisor, worker and tutor at the Partizanka tobacco combine, Shumen, awarded the gold medal of labor.

/Emil Demirev/, rayon mufti in Shumen.

/Engineer Deyan Chaushev/, Secretary of the okrug committee of the BCP, Silistra, okrug advisor.

/Subina Marinova/, hero of socialist labor, weaver in the Dobrudzha factory, Silistra, member of the okoliya industrial combine, Silistra.

/Radi Deyanov/ Deputy president of the municipal council of culture in the town of Glavinitsa.

/Aneta Asenova/, Member of the National Council of the Fatherland Front, secretary of the municipal committee of the Fatherland Front, Ruen.

/Sider Khadzhiev/, rayon mufti in Aytos, Burgas okrug.

/Ulyana Kirova/, Member of the okrug committee of the BCP, secretary of the party committee at the grain fodder combine in the town of Tolbukhin, okrug advisor, awarded the Order of the People's Republic of Bulgaria, third degree.

/Sergey Radomirov/, Head physician at the rayon hospital in Tervel, Tolbukhin okrug, honored physician.

/Khuben Khubenov/, rayon mufti in the town of Tolbukhin.

/Subi Khadzhiev/, active fighter against fascism and capitalism, public worker from Haskovo.

/Khristo Nikov/, Member of the bureau of the municipal committee of the BCP, president of the municipal committee of the Fatherland Front, town of Kotel, Sliven okrug.

/Lyubomir Aleksiev, Deputy to the National Assembly, leader of the vintner's brigade in the village of Medovets, Varna okrug.

/Sokol Khubenov/, worker in the technical control section in the instruments and non-standard equipment plant at the Record combine, Plovdiv.

/Chavdar Kurdov/, rayon mufti in Plovdiv and temporarily managing the office of mufti in Kurdzhali.

/Anatoli Rafaelov/, Chief Director of LVK [not further identified] Sukhindol, Veliko Turnovo okrug, municipal adviser, member of the municipal committee of the Fatherland Front, president of the Lozen physical education association.

/Khristomir Mikhaylov/, ballet master at the Rusen People's Opera.

/Emiliya Kovacheva/, hero of socialist labor, Dimitrov Prize laureate, former worker in the Dunavska Koprina combine, Ruse.

/Lyudmil Anastasov/, hero of socialist labor, honored master of sports, world wrestling champion.

/Andrey Radoslavov/, hero of socialist labor, leader of the complex brigade in the village of Trapishte, Razgrad okrug.

/Iliya Georgiev/, rayon mufti, Razgrad.

/Zina Tikhanova/, honored teacher, teacher at the V. Kolarov ESPU [not further identified], Razgrad, public worker.

/Sanya Dervisheva/, active fighter against fascism and capitalism, Pleven, spouse of an active member of the BCP who perished in the fight against fascism.

/Marina Zarkova/, public worker, chief of department at NOVA SVETLINA.

/Emiliya Gavazova/, member of the Central Committee of the Union of Bulgarian Teachers, deputy director of the elementary school in the village of Mlechino, Kurdzhali okrug.

/Martin Kamenov/, hero of socialist labor, leader of the Georgi Ivanov construction brigade at the construction and installation combine, Kurdhzali.

/Andrey Videnov/, brigade leader in the tobacco producing brigade in the village of Boyno, Kurdzhali okrug.

/Marin Raychev/, brigade leader in the exploitation brigade in the Zvezdel mine, Kurdzhali okrug, awarded the Georgi Dimitrov medal.

/Subi Shterev/, Town hall secretary and secretary of the primary party organization in the village of Turnovtsa, Turgovishte okrug.

/Felina Arsova/, Mayor of the village of Kus, Shumenski okrug.

/Ana Marinova/, Gymnastics coach, DFS [not further identified], Gabrovo.

/Neli Dervisheva/, teacher at the P. Yavorov ESPU, Pleven, daughter of an active member of the BCP who perished in the fight against fascism.

12907
CSO: 2200/58

INTERVIEWED WORKERS COMPLAIN AGAINST CORRUPTION

Sofia OTECHESTVO in Bulgarian No 22, 26 Nov 85 pp 18-20

[Interviews conducted by Milena Angelova and Khristo Peev]

[Text] Managers -- young people from the Liliya Karastoyanova youth labor collective in the watch resonator workshop in the factory for electronic transformer elements in Sofia. The collective had already fulfilled its 5-year plan as early as the middle of July this year, and in honor of the forthcoming party congress it will deliver about two and a half million leva over plan. For two years in a row it has been the capital's leader. Almost all the products manufactured here are intended for the USSR, and, as far as quality is concerned, there's a comsomol guarantee: for a whole 10-year period there has not been a single claim! And for this the young people have been awarded a diploma by the Consulate of the USSR in Sofia. They work under the motto of "the hero is always on duty", and every day the young people fulfil a norm on behalf of their boss. There's no confusing words and deeds. The great truth of our life is created. All the more concern, therefore for the resilience that the other "small truth" is showing.

This conversation is a sequel. A sequel of a similar discussion from six years ago, in which we posed questions in the pages of OTECHESTVO concerning all those phenomena that poison the climate of our relations. We spoke about the so called "connections" and the all-powerful intercessors who change the fate of lives with a single telephone call, and the effect of the motto "there's a different set of rules for my man". The replies of over 70 young workers and employees did not reassure us: 90 percent stated that they did not believe that we could overcome all this. In some of them, a formed inner understanding unambiguously echoed that the existence of such a "second network" was almost a natural phenomenon of social life. In other words, these people had built up in their consciousness the corresponding reflection -- a "second network" of "principles" and "values" which protect the conscience from moral conflicts. But does it protect them from moral damage? We searched for a reply to this question with our new interviewees.

/OTECHESTVO:/ You are all young people. To take your place in your profession, and in life, you have to compete with your peers. Do you have the foregone conviction that sometimes candidates are not on an equal footing?

/Savina Nikolova, 21 years old, production controller, married:/ Today, if you are a realist, you should not forget that there are people with connections everywhere. Against them, you set knowledge, skill, the will to establish yourself, all things which, they have taught you, will guarantee success in life. But in competing against the fellow with connections, these things turn out to be insufficient to bring you success.

/OTECHESTVO:/ Are you saying this based on your own experience, or simply because a lot of people think that way?

/Veselina Mileva, 22 years old, assembler of quartz elements, single:/ Unfortunately, I can confirm that entirely on the basis of personal experience. My first contact with connections came quite early. After seventh grade I applied for the high school of art. I drew well and had taken special preparation. I passed the examinations, but my grades were not enough. I thought that there were better and more talented people then me. I was ready to revise my opinion, and that of those around me, about my capabilities, when it turned out that among those who registered there were applicants with lower grades than mine, and even some who had not taken the examination. That was my first such disappointment, and I took it badly.

/Radoslav Makedonski, 20 years old, assembler of quartz elements, single:/ The second time it's easier, and after the third time you accept that there's no other way.

/V. Mileva:/ Really, I took the second disappointment more easily.

/OTECHESTVO:/ But what happened with the drawing? Your present profession has nothing in common with it?

/V. Mileva:/ I mastered the manipulations fast and now I work well. At least the others say that I am one of the best. But I must confess that I don't hold out any prospects in connection with this profession. It wears you out fast -- the norm, the constant stress, the shifts. Colleagues who have been here for seven or eight years are having difficulty holding out. I shall look for something more suitable, although at the moment I have no idea what that will be.

/OTECHESTVO:/ Well then, is it possible to live in today's world without connections?

/Elka Popova, 27 years old, assembler of quartz elements, single:/ It's possible, that the way they teach us. A young person steps out into the world in the knowledge that work and qualities determine a person's place. But you set out on your own journey and you see that it is not always like that. Connections, intercessions, fawning... as if at every step. And you have to be very strong and firm to stay true to the honest principles that you were brought up with.

/OTECHESTVO:/ At every step -- isn't that an exaggeration?

/E. Popova:/ This is what happened to me in just one day. I went to buy bread. For the saleswoman's friends there was warm bread, for me only cold bread. I went to the greengrocers -- from the backdoor they were handing out bananas, for me there were none. I went to the shoestore -- the style I liked was sold out, but some clients were quietly taking those very boots from closed boxes. And so it goes on, every day, for years on end. So now people begin to see intercessions and connections even when they aren't there. If some young person is suddenly promoted at work, if he wins an important competition, or has a big success, invariably the lie goes out that someone is behind him. Maybe not, but those around can't see it.

/OTECHESTVO:/ And that's one of the ways in which negative phenomena damage the consciousness.

/E.Popova:/ It's not the only one. The shadow of doubt falls not only on the person in question who, with all his ability, feels guilty because he is not in a position to prove to everyone that his success is honest. We lose faith in the conformity between words and deeds. It has reached the point where a fellow hates his dreams because they make him miserable and an incorrigible idealist ahead of time.

/OTECHESTVO:/ Let us ask again. Are you saying this on principle or do you have a concrete example in mind?

/E. Popova:/ On principle but I have an example. A close friend of mine applied for university together with a fellow student. My friend got a "4" on the examination, his friend got a poorer grade. Their diplomas are identical. But they accepted the second fellow because his father is a "big gun".

/OTECHESTVO:/ Strange.

/V. Mileva:/ Not to take you with a "4" on the examination is simply incredible.

/E. Popova:/ There's something else incredible too. That the boy didn't make any effort to find out why that happened, to defend his rights. He kept saying that there was no sense, that they wouldn't tell him the truth anyway.

/Aneliya Stoyanova, 25 years old, assembler of quartz elements, married:/ Of course they won't tell him the truth. These things are always done on the quiet, as if no-one knows the truth. I know, because something like that has just happened to me. For several years my family has been listed as a priority as being in severe need of a place to live. At about the same time the neighbors were listed too; they were also living in an unsanitary, small apartment like ours. However, when homes were assigned, the neighbors received an apartment and we got a polite refusal and a request to be patient until next year. We went to the council, asked on what grounds the decision was taken, but everyone shrugged their shoulders and confirmed that that was the way the commission decided. The neighbor was more honest and confessed that if we didn't find our own man we would be waiting a long time. And she was right. At the next assignment, again there were other people who turned out to be more needy, and again they asked us to be patient.

/OTECHESTVO:/ You're officially listed as very needy?

/A. Stoyanova:/ Yes. We have children and comply with all the conditions.

/OTECHESTVO:/ How many years have you been waiting for somewhere to live?

/A. Stoyanobs:/ Since 1980, 5 years already.

/OTECHESTVO:/ Don't take this as a provocation, but do you think that you can live without connections?

/A. Stoyanova:/ You can, but badly ... (laughter).

/Maria Ignatova, 23 years old, assembler, married:/ Personally, I have difficulty imagining such a beautiful picture of life in which noone uses connections for anything.

/OTECHESTVO:/ You speak as if you have never run for help to "your man".

/M. Ignatova:/ Why strain my conscience? Of course I have. Life is such that if you want to start work, then someone has to say a couple of good words for you.

/Retort:/ What work? As a bartender? (Laughter)

/M. Ignatova:/ Sometimes. The most ordinary work. Factory work. Take me, for example. When I came to work at the factory I was pregnant. And don't you know that noone cares to see such applicants anywhere. So my mother-in-law, who has been working here for years, had to help.

/OTECHESTVO:/ Do you discuss these things with your acquaintances and peers?

/M. Ignatova:/ We discuss them, and we've decided that, rather than disappearing, connections are expanding more and more. In spite of the fact that we are all supposedly struggling against them.

/OTECHESTVO:/ Are you sure about that "more and more"?

/M. Ignatova:/ I'm sure.

/OTECHESTVO:/ And are you sure that you're struggling?

/M. Ignatova:/ I'm trying. Even though I hardly use them myself. You'll tell me that I'm contradicting myself; didn't I just say that I started work thanks to an intercession. But I was entitled to get this job. They give priority to pregnant women and mothers of small children, don't they?

/OTECHESTVO:/ Yes, that's really interesting. Generally, it's considered that a person uses connections to work his way toward something to which he is not entitled. Yet in your case it turns out that sometimes you need connections to get something that would be yours anyway.

/P. Makedonski:/ That's what's so good about connections. They work for all kinds of situations. It's a sure thing! (Laughter)

/Ruska Cholakova, 27 years old, assembler, single:/ Your question is very basic. And quite serious. It happens sometimes that without connections and intercessions you are unable to take a place which is rightfully yours according to all the rules. For example, I graduated from the technical school for electronics. I'm a qualified weak-current technician and was assigned to this factory. It would have been logical and correct for me to get a job in my speciality, in maintenance. All of us who were assigned thought so, but then it was clear that some kind of discrimination against skirts was in operation, and they didn't want women in maintenance. If I had been able to unearth some kind of connection, may be they would have made an "exception" and I would have performed at the factory the kind of work for which the state has paid to educate me for years on end. But I don't have connections and now I'm an ordinary worker.

/OTECHESTVO:/ And your unused knowledge from technical school is becoming obsolete.

/R. Cholakova:/ Not only mine. All the girls who were assigned here after technical school.

/OTECHESTVO:/ And you feel helpless to change things?

/R. Cholakova:/ Absolutely. On the whole, in answer to your question as to how we can struggle against connections, intercessions and such improper things, I want to say that the struggle is difficult because you feel alone. Injustice is done to many people but everyone bears the consequences alone, and even those closest to you shrug their shoulders: "We sympathize, but we can't help you".

/V. Mileva:/ And that's the hardest discrepancy between words and deeds. Apparently, we're all denoucing these undesirable things -- you are writing against them in the newspapers, we repudiate them at meetings and in private conversations, but in practice nothing changes.

/OTECHESTVO:/ You said "discrepancy"; is there something like that here?

/P. Cholakova:/ Of course. For years on end we have been asking about some day rooms that we need in the workshop. We don't have a room where we can sit to eat our snacks.

/E. Popova:/ And then we're mostly women. We need to take a break, to fix ourselves up.

/R. Cholakova:/ The very first time we made our requests the factory managment promised us that they would meet our requests. And for years we've had promises.

/R. Makedonski:/ A promise is the most polite form of refusal. (Laughter)

/OTECHESTVO:/ It's strange that you should say that, when you have made a comsomol promise of production without rejects and when for 10 years now you haven't had a single claim.

/R. Makedonski:/ It seems that the comsomols can keep their promises.

/Zhasmina Todorova, 28 years old, statistical controller, single:/ In my opinion, the majority of young people leave school with a well-built value system. And in this system, consistency in fulfilling a positive act takes chief place. The fewer blows below the belt to the value system, the greater are the guarantees that the person stays true to it. Because what are connections, confusing words and deeds and groundless promises, if you haven't been hit below the belt?

/Nikolay Boev, 27 years old, organizing secretary of the factory committee of the DCYU (Dimitrov Communist Youth Union):/ All this is true and I confirm it. I shall just clarify how things stand with the question of this day room. Because it looks as if the workers keep their promises and the bosses don't. The thing is that a basic expansion has been included in the next 5-year plan for our factory. It is economically unsound to make temporary expansions before then. We simply have to wait a little longer.

/E. Popova:/ I am sure that something could be done even now. There are rooms in the factory that are used only a few times a year. At the same time, 100 women have to wait for years to get at least one day room. Our good work is constantly stressed. Do we really not deserve this small convenience.

/OTECHESTVO:/ It goes without saying that you deserve it, and we are sure that you will get it. But what you say leads us to think that the cause for the negative phenomena is due to the fact that not everyone has an exact criterion of what is their due, what they can demand of their surroundings and of society. What, in your opinion, builds this criterion; who helps the young person to form it himself?

/R. Makedonski:/ First of all, experience. It's like with children. As they reach out for something that isn't for them, they get their fingers slapped. If they're slapped twice, they don't reach out a third time.

/Z. Todorova:/ Yes, but with adults, some get slapped on the fingers and others are helped to grab the wealth that isn't theirs.

/E. Popova:/ The most amazing thing is that such injustice sometimes shows up with regard to children. At first I told you that I was single, actually I'm divorced with children. My son is only six but he has already noticed that some of his little friends in kindergarten are privileged. Identical offences do not receive identical punishment. Identical efforts are not met with identical praises. In the courses they take, it's always one and the same children who recite poetry and one and the same who form the background. After a series of recitations, my son asked: "Mommy, isn't it my turn now?" How can I tell him that his turn won't be coming soon.

/OTECHESTVO:/ What is the principle of selection in your opinion?

/E. Popova:/ The professions of the mother and father and how they might be of use to the teacher.

/OTECHESTVO:/ Why don't you look for some type of connection with the teacher. After all, we're talking about helping your own child?

/E. Popova:/ I wouldn't do it. If he learned to expect my help, then later he wouldn't find the incentive within himself to reach his goals alone. And that's a type of moral disability.

/Z. Todorova:/ Maybe that is the surest way to struggle against connections and intercessions. Simply to exclude them as a possibility from the consciousness of our children.

/M. Ignatova:/ Or else to create some sort of collective way of struggling against them.

/N. Boev:/ There is such a way -- the comsomol and party organizations, the strong relationships inside the collectives. For example, I am sure that if a protected person, without the necessary qualities, appeared in your collective he would very soon feel that his place was not there.

/Z. Todorova:/ Yes, a natural selection operates in production. Only those who can remain, those who can't resign. But I'm not sure that it works like that in the non-productive sphere.

N. Boev:/ There's something else too. For example, I haven't heard of anyone being punished for using connections.

/OTECHESTVO:/ How could they punish him if he had connections! (Laughter)

/N. Boev:/ But in order to act successfully against these phenomena, people must be punished not just morally, but by the state, by the law.

/OTECHESTVO:/ Now we come to the question of whether you, sitting in this room, have found this conversation useful, and what conclusions have you reached for yourselves?

/S. Nikolova:/ Of course, it has been useful. Because a person has to begin to think so as to understand that the apparently innocent "small truth" destroys large and valuable things, that its small offensives may discourage even the most adamant person, drive him to feel deceived and robbed of his most beautiful aspirations.

/V. Mileva:/ I must confess that the discussion has been useful in as much as I really began to think about these things. That hadn't happened until now. And the conclusion is that we have to fight against them. And although I still don't know how, I shall still try to find my way in this battle.

/E. Popova:/ This isn't the first time I'have had a discussion like this. And it surely won't be the last. My sincere wish, however, is to live to see the day when such deliberations are superfluous.

/R. Makedonski:/ For me the conclusion is that young people are in a position to influence a successful resolution of the problem. I'm only afraid that this will take time.

/R. Cholakova:/ For myself, I drew the conclusion a long time ago: I don't use connections. I see that that is not enough and the phrase "Well, whatdoes that have to do with me" is actually the first step toward legitimizing the negative in life.

/A. Stoyanova:/ There are those among my colleagues who think that I got my place in the factory with connections. That makes me bitter and I try to refute it with my work.

/M. Ignatova:/ Let's hope we don't remain with discussions. Let's hope we find the strength to act as well as we talk.

/Z. Todorova:/ In this discussion, we established that you don't need connections to become a worker. (Laughter) I believe that the young people must be the most irreconcilable toward negative phenomena. Until they safeguard their ideals and dreams, until they clearly differentiate good and beautiful from evil and ugly. Until they are not resigned to become "like the others".

/N. Boev:/ I don't know why during this entire discussion I was thinking of those young people who, let's say, in 1942 went to face the bullets and the gallows in order to defend their ideals. As I listen now to talk of connections, intercessions and intrigues that take the place of principles and even ideals, I'm revolted. That's why I think that discussions such as these must be held everywhere. And, more important, with our actions we should say "enough" to all moral deformations.

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SUEDOSTEUROPA STUDY OF 1985 PARLIAMENTARY ELECTIONS

Munich SUEDOSTEUROPA in German No 10, 1985 pp 536-560

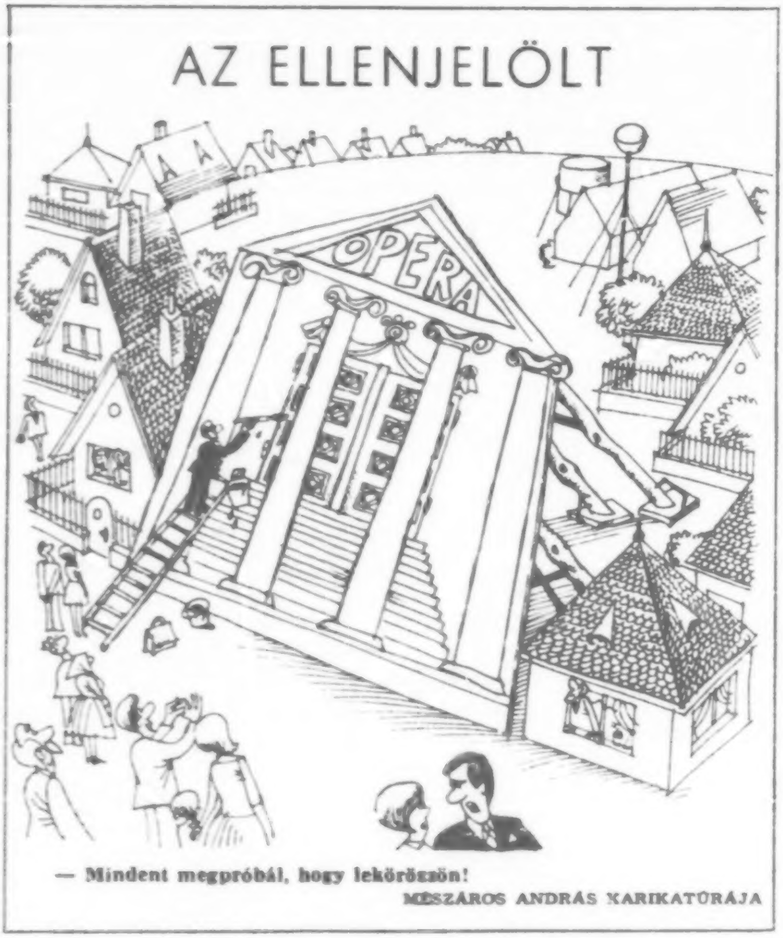
[Article by Goetz Mavius, PhD, a scientific collaborator at the Historical Institute of Hamburg University: "The 1985 Parliamentary Elections in Hungary"]

[Text] On 8 June 1985 the tenth parliamentary elections since 1947 took place in Hungary.[1] Since these were the first elections according to the new election LawIII/1983,[2] which entailed some vital changes, they attracted considerable attention, especially in the Western press.[3] The election attracted attention among observers of many years, especially on account of its possible importance in connection with the economic reforms. In Hungary the connection between the economic reforms and the reform of the "work of the people's representations"[4] was not only seen but expressly emphasized.

The Legal Basis

Therefore the 1985 parliamentary elections should not be viewed in isolation. Without going here in detail into the norms and principles laid down in the constitution (Law XX/1949 in the new version by Law I/1972 with the changes by Laws I/1975 and II/1983), it can be said about the election practices: Law III/1983 forms a further step on the road of an electoral law reform, which was initiated with Law III/1966.[5] At that time election districts were formed with one direct seat each in the parliament, which was obtained by the candidate with the absolute majority. The law specifically initiated the possibility of several candidates in one election district. This possibility was made use of in 9 election districts in the subsequent 1967 parliamentary elections. When with Law III/1970[6] the nominating monopoly of the Patriotic People's Front, (Hazafias Nepfront, HNF), an umbrella organization of various associations, social organizations and of the MSZMP, was broken and the nomination of candidates was entrusted to voter meetings, the number of districts with more than one candidate rose to 49 in the following parliamentary elections in 1971, among them one district with three candidates. Thereafter the number of districts with two candidates declined from 34 (1975) to 15 (1980).

Instead of reacting negatively with haste to the apparently clear disinterest of the people in voluntary multiple candidacies and abolishing this possibility directly or indirectly, the progressive forces in the state and party leadership


AZ ELLENJELÖLT
OPERA
— Mindent megpróbál, hogy lekörözzön!
MÉSZÁROS ANDRÁS KARIKATÚRÁJA

Caption: The Opposition Candidate

"He tries everything to overtake me."

NEPSZABADSAG,Nc. 121 of 25 May 1985, p 21

Cartoon by Andras Meszaros

recognized that this reaction of the voters had its origin in the fear of too much involvement, in intimidations or obstacles by conservative elements of the state and party hierarchy and many others, which also had a lasting effect in the case of the 1985 election. The step taken with the 1983 election law eliminated some of these causes. Two candidates became obligatory in all election districts, who were proposed by the HNF at voter meetings but did not have to be accepted and could be replaced or supplemented by new candidates--if they received at least one third of the votes in two meetings.

For the "election campaign" two weeks more than in the past were available. That in the time from 15 April to 8 June much more than in the past an election campaign--i.e. a competition in the representation of assumed or actual voter or local interests--was involved is proved by various statements in the press, but especially impressively by an Andras Meszaros cartoon.[7] Under the heading, "The Opposition Candidate," it is shown how someone erects the facade of an opera house in a village with paint and papier-mache, accompanied by the applause of the public. The emptiness of this sham structure is clearly discernible. The comment on the event is: "He tries everything to overtake me." Laszlo Rozsa reports on actual cases in which violations of the democratic rules occurred during the election campaign because of unsureness in dealing with the new legal opportunities:

> It also happened that the heads of the election meetings showed unsureness if an official candidate was not chosen, a strongly deviating opinion was advocated or the local leadership criticized. Cases are known where attempts were made to induce spontaneous candidates to quietly withdraw. Now and then in small places an action was started by families or friends to get their own candidate accepted.[8]

However, the end result was a success and vindicated the legislators: in 58 of a total of 352 election districts more than the two obligatory candidates were nominated, including twice as many in four election districts. Thus a greater success was immediately achieved with the first election following the new law than in the second election following Law III/1966, in 1971, in which a measure of familiarization must be taken into consideration. The trend that will be shown by the coming elections will depend very greatly on the work of the new parliament up to 1990. The intra-Hungarian discussion on a reform of the work of the parliament in direction of its expansion and upgrading cannot be discussed here. An interview with the president of the parliament, Sarlos,[9] one month prior to the election, however, does not lead to the expectation of far-reaching fundamental changes.

The Election Procedure

Since the 1975 election, the country has been divided into 352 electoral districts. Since 15 April 1985 nominating and election meetings have taken place in each of the districts. Altogether[10] 702 meetings with 1.5 million participants were counted, i.e. roughly 20 percent of the qualified voters actively participated in the election campaign. But the actual share is likely to have been somewhat lower than that officially announced, arithmetically correct figure, since the unknown number of participants in several meetings must be deducted. To nominate a candidate, it was necessary for the candidate to receive at least one third of the votes at two separate meetings. In this process, the two figures of votes and participants were added together for the evaluation. In most cases the procedure was raising of hands and counting from the rostrum; thus courage for the vote was necessary.

In the 352 districts, 867 persons competed for a candidacy, of which 715 were proposed by the HNF and 152 by the meetings. At the meetings 97 percent of all HNF proposals were confirmed and only 50 percent of the voter proposals, for which reason the 766 candidates consisted to 90 percent of HNF candidates (696) and only 10 percent of voter candidates (70). According to statements by Istvan Horvath, secretary of the MSZMP Central Committee, of 26 June 1975, 78 of the 766 candidates were proposed by the voter meetings.[11] Accordingly, only 688 candidates were HNF proposals and 27 HNF proposals were rejected. Assuming that all third and fourth candidacies were based on voter proposals, an HNF candidate competed with a voter candidate in 16 districts and maximally in 278 districts (78.9 percent) the choice would have been between HNF candidates exclusively.

The numerically small rejection of 19 or 27 HNF proposals (only 2.7 or 3.8 percent) nevertheless appears to have met with criticism within the HNF. "A functionary of the Patriotic People's Front felt that in future public opinion must be sounded out more carefully to limit even more the circle of the official candidates that are not accepted by the election meeting." However, the NEPSZABADSAG commentator regarded this "as natural, as healthy, as an essential expression of the democratic voter wish."[12] This report reveals three things: firstly, there are circles to whom this form of democracy goes too far; secondly, HNF candidates are called "official candidates," which labels the voter proposals as "inofficial," as almost against the rules; and thirdly, there are party circles whose understanding of democracy is more liberal and goes beyond the forms practiced until now. The above quoted commentator even asks the question "whether...or not the practice of the one-man candidacy--with all its consequences--has not lasted too long."

For all that, the ideological-political leeway for the candidates is narrowly limited; although they need not be party members or to accept the party program, they must identify themselves with the HNF program (closely associated with the MSZMP). A position against socialism was completely out of the question.

After the nomination of the candidates at the meetings, they were checked by the National Election Presidium, which was largely identical in terms of personnel with the HNF, which, however, led to rejection and new nomination in only one case. In addition to the candidates for the direct seats, the National Election Presidium for the first time drew up a national list which comprised 35 persons. Thus parliament becomes bigger than in the last three legislative periods by the size of this group and numbers 387 persons.

On election day, voting was done by national list and direct seat on separate ballots and with separate procedures. One ballot contained the 35 names of the national list. From it one, several or (by a diagonal line) all names could be crossed out. All the remaining names were valid. The second ballot contained the candidates for the direct seat. Here all but one name had to be crossed out,

Table 1: Basic Figures of the 1985 Parliamentary Elections

	absolute Zahlen (1)	v. H. der (2) Wahlberechtigten
Einwohner (1. 1. 1985) (3)	10658000	
LANDESLISTE (4)		
wahlberechtigt (5)	7728208	100,00
abgegeben (6)	7265915	94,02
gültig (7)	7210495	93,30
ungültig (8)	55420	0,72
DIREKTKANDIDATEN (9)		
wahlberechtigt (5)	7568480	100,00
abgegeben (6)	7103146	93,85
gültig (7)	6716387	88,74
ungültig (8)	386759	5,10
für die Kandidaten (10)	6636685	87,69
gegen die Kandidaten (11)	79702	1,05
NACHWAHL (12)		
wahlberechtigt (5)	827096	100,00
abgegeben (6)	686613	83,02
gültig (7)	678235	82,00
ungültig (8)	8378	1,01
für die Kandidaten (10)	670239	81,04
gegen die Kandidaten (11)	7996	0,97

Source: MAGYAR KOZLONY, No. 24 of 9 Jun 85, p 569 (misprint in NEPSZABADSAG, No. 134 of 10 Jun 85, p 1); MAGYAR KOZLONY, No. 26 of 23 Jun 85, p 625.

Key:

1. Absolute figures
2. % of qualified voters
3. Inhabitants (1 January 1985)
4. National list
5. Entitled to vote
6. Votes cast
7. Valid
8. Spoilt votes
9. Direct seats
10. For the candidates
11. Against the candidates
12. Runoff election

who was then regarded as having received an affirmative vote. If the voter's choice was not clearly recognizable, the ballot was considered as void. Only if all names were individually crossed out was the vote regarded as a vote against.

Beyond that, the two procedures were handled in different ways: for the national list, voting could be done any place (thus also at a vacation spot) against production of the required papers; for the direct candidates the vote could be cast in the electoral district only. This explains the differences in election participation of roughly 160,000 votes. Since the voting system in the case of the direct candidates was rather complicated, there were relatively many void ballots. Moreover, participation in the election was lower than in all preceding elections since 1949 (94.66 percent). Steven Koppany's speculation[13] that the appeal of the Hungarian dissidents for the boycott of the election had such a broad effect appears to overestimate the degree of intra-Hungarian awareness of the appeal and is not quite plausible.

The explanation by HNF General Secretary Imre Pozsgay[14] to start with does not look very valid, namely that the weekend vacationers who had left early had abstained since in 1980 the voting was done on exactly the same day (8 June), which then was a Sunday. If the disinterest additionally cited by Pozsgay is specified and the election system is taken into consideration, then the picture emerges: in 1985 more vacationers did not vote at the vacation localities because they could not participate in the more interesting part of the election, the direct seat. Aside from that, there remains a hard-to-explain "grey zone" of abstentions which in this election undoubtedly was bigger than in 1980. Excessive apprehensiveness over the new, this system-inherent aversion to taking risks that is known from the history of the economic reform, may have played a special role here.

The fact that the election system was regarded as complicated was reflected in the detailed descriptions and explanations in public. A pocket book on this topic was published in the Kossuth publishing house in the series "What Do We Have to Know?"[15] And in NEPSZABADSAG[16] alone four explanations (in part with pictures) on the system were reprinted, including a cartoon with the characteristic title "We are just learning it!" Palliative was the assessment of the chairman of the national elections executive, Lajos Papp, who, in view of the complexity, stressed: "It is therefore noteworthy that the number of spoilt votes was relatively low."[17] Obviously the national election executive had expected a larger percentage.

Of the valid votes cast, a candidate had to collect half of those cast in the first ballot on 8 June. Thus the results as in the case of the previous eight elections with figures between 97.07 and 99.7 percent could not be expected from the outset.

If no candidate received the absolute majority in a district, there had to be a runoff election on 22 June. For this purpose, the entire nominating process had to be repeated in an abbreviated form. As a result, there were changes in the lists of candidates between main election and runoff election. The duty to nominate two candidates continued, so that in electoral district 5 of Zala County no runoff election could take place because shortly before the election

Table 2: Number of Candidates per Electoral District in the Main and Runoff Elections

Bezirk (1)	Kreise (2)	davon (3)			angesetzte Nachwahl in Kreisen			(7)	(4)	(5)
		mit 3 Kand. (4)	mit 4 Kand. (5)	Kreise mit mehr als 2 Kand. (in %) (6)	mit 2 Kand. (8)	mit 3 Kand. (4)	mit 4 Kand. (5)	(8) mit 2 Kand.	mit 3 Kand.	mit 4 Kand.
								nach Neunominierung (9)		
HAUPTSTADT (10)										
Budapest	67	7	0	10,4	1	5	0	3	3	0
KOMITATE (11)										
Baranya	14	3	0	21,4	0	3	0	3	0	0
Bács-Kiskun	20	4	0	20,0	0	1	0	1	0	0
Békés	15	3	0	20,0	1	0	0	1	0	0
Borsod	26	5	2	26,9	0	2	2	2	2	0
Csongrád	16	3	0	18,8	1	2	0	2	0	1
Fejér	13	2	1	23,1	0	1	1	0	1	1
Győr-Sopron	15	4	0	26,6	0	3	0	2	1	0
Hajdú-Bihar	18	3	0	16,7	0	3	0	3	0	0
Heves	12	0	0	00,0	0	0	0	0	0	0
Komárom	10	1	0	10,0	0	1	0	0	1	0
Nógrád	8	1	0	12,5	0	1	0	0	1	0
Pest	29	3	1	13,8	2	1	1	2	2	0
Somogy	12	1	0	8,3	0	0	0	0	0	0
Szabolcs-Szatmár	20	3	0	15,0	0	2	0	0	2	0
Szolnok	15	3	0	20,0	1	1	0	1	0	1
Tolna	9	2	0	22,2	0	1	0	1	0	0
Vas	10	2	0	20,0	0	1	0	1	0	0
Veszprém	13	1	0	7,6	1	1	0	1	1	0
Zala	10	3	0	30,0	0	2	0	1	1	0
Summe (12)	352	54	4	16,5	7	31 42	4	24	15 42	3

Source: NEPSZABADSAG, No. 121 of 25 May 85, pp 2-3; No. 134 of 10 Jun 85, pp 1-3 (these incorrectly on p 1: runoff election in 45 districts); No. 142 of 19 Jun 85, pp 1 and 3.

Key:

1. Administrative District
2. Districts
3. Including
4. With Three Candidates
5. With 4 Candidates
6. Districts With More Than 2 Candidates (in %)
7. Scheduled Runoff Election in Districts
8. With 2 Candidates
9. Following New Nomination
10. Capital
11. Counties
12. Total

two of the candidates withdrew. In the runoff election, the simple majority sufficed, which in only 14 cases remained below the absolute majority and which in two cases was expressed only in the second decimal place.[18] If a candidate failed to receive the seat but had more than 25 percent of the votes, he thus automatically becomes the deputy's potential replacement and moves up (in case the deputy leaves).

The Results

After conclusion of the nominating procedure it was established that in 58 of 352 electoral districts more than two candidates had been nominated. Far above the national average were the counties of Borsod, Gyor-Sopron and Zala, in which three and four candidates had been nominated in more than a quarter of the districts. Only the voters of Heves County completely failed to do so.

In 42 electoral districts none of the candidates achieved the absolute majority. Herein were included two-thirds of the three-candidate districts and all four-candidate districts, but also 7 districts with two candidates. While in 1985 no runoff elections had to be held only in two counties (Heves and Somogy), in 1980 runoff elections had taken place in only two electoral districts: in one electoral district with two candidates and in another in which the sole candidate had died shortly before the election. At that time, the election committee had arranged the by-election on its own. Following Law III/1983, the procedure of the runoff election was newly regulated by legislative action.[19] The measure shows that such an increase in the share of runoff elections had been assumed.

For the runoff election of 22 June 1985, there were 105 candidates instead of the former 123 candidates with 24 having two candidates; 15, three candidates; and 3, four candidates. Twenty-nine candidates withdrew between the ballots, 14 new candidates were nominated of which 7 attained a seat.

The Deputies

A broad spread depending on the personality of the candidates characterizes the total picture of the election results. The extremes are, on the one side, the

12 deputies who during the main election on 8 June (all against one competitor only) barely won with percentages between 50.1 and 50.5 and on the other side the 6 candidates who received more than 80 percent of the votes.[20] What is remarkable in these results is the fact that among the 12 very narrow victors, there are 5 reelected deputies and 3 additional deputies of 1980 correspondingly were barely disqualified, while among the 15 most clearly outstanding victors with a share of 75 percent of the votes or higher, there were only 3 deputies elected in 1980, but in 2 districts former deputies were very clearly defeated.

At the head of this popularity scale there are some nationally known personalities such as Deputy Prime Minister Marothy (87.7 percent = first place), Central Committee Secretary Szuros (85.7 percent = second place), Central Committee Secretary Berecz (75.5 percent = 13th place), above all, however, locally known personalities such as school directors, agricultural producer cooperative chairmen, factory directors or physicians and only to a slight extent, state and party functionaries. Remarkable is the victory of the first vice-president of the Hungarian National Bank, Janos Fekete (Bekes 11), who was nominated at a nominating meeting and received 76 percent (11th place) of the votes against two candidates.

The National List

In contrast to the widely diverse election behavior in the case of the direct seats, the results of the national list offer a uniform picture to which we are accustomed for elections in socialist countries. Of the 35 candidates, 12 received 99.1 percent and 22 obtained 99.2 percent of the votes. The result of 98.8 percent, which the president of the National Council of the Labor Unions (SZOT), Sandor Gaspar, achieved does not fit into this very narrow framework. Since 1965 top labor unionist, he was clearly part of Hungary's top leadership as Politburo member and deputy chairman of the Presidential Council on the one hand, as president of the WFTU on the other hand. Especially in view of the uniform result of the national list, the slight downward deviation of 0.4 percent acts like a clear rejection.

The composition of the personnel of the national list moreover shows the effort to represent all interest groups of the population. Only 24 of the list candidates had been nominated for election by the people in 1980; HNF general Secretary Imre Pozsgay had moved up later on. The other 10 members are newcomers in the parliament. Thirteen representatives of the national list do not belong to the MSZMP. Istvan Sarlos, the top representative of the legislature and old as well as new president of the parliament is entitled to be named as first candidate of the national list, which otherwise is strictly alphabetically arranged. The government is represented in the national list by Prime Minister Lazar. From the Presidential Council, there are here its chairman, Pal Losonczi, his two deputies, Sandor Gaspar and Rezso Trautmann, as well as the secretary Imre Katona, in addition to 7 old and 3 new members elected on 28 June of the total of 17 members, who, however, in addition hold other substantial positions. The 5 leading full-time members of the party organization look rather modest next to the other groups even though the first secretary of the party youth organization (KISZ), Csaba Hamori, and two representatives of the HNF (Gy. Kallai and Pozsgay) are included. In addition to General Secretary Kadar and his deputy Nemeth, 8 of the 13 Politburo members, but only 2 of the 6 Central Committee secretaries and 13 of the 105 Central Committee members were included. In this connection it must not be forgotten that these groups of persons are congruent. With this composition, a clearly advanced leadership role of the party cannot be asserted.

The Protestant-Reformed and the Protestant-Lutheran church as well as the Jewish religious community and the Free Churches have one high-ranking representative each, the Roman Catholic Church even two. However, they were unable to induce one of the bishops or even Cardinal Lekai to become a candidate, in contrast to Bishop Bartha (Protestant Reformed) and Bishop Kaldy (Protestant Lutheran), president of the Lutheran World Federation, as well as Chief Rabbi Salgo, who died shortly after the election on 24 July 1985.

On the national list the four national minorities in Hungary (Germans, Romanians, Slovaks, South Slavs) are represented with one deputy each as well as the Federal Council of Hungarian Women, the cooperatives and the labor unions (see above). The Hungarian Academy of Sciences nominated three Presidium members as candidates. An actor and a sculptor who is also a member of the HNF Presidium, represent the fine arts. The last group is formed by 5 persons whose professional designation is indicated as retired persons. What is involved here are former high-ranking representatives of public life (2 former ministers, a former vice-mayor of Budapest, a former representative of the agricultural producer cooperatives and a former director general of the Hungarian news agency MTI), of whom three are members of the Presidential Council.

In summary, it is to be emphasized that the national list actually tries to represent the entire country, whereby the women with 5.7 percent and the economic sector (without any representative of industry or of the senior executives) are, however, clearly underrepresented. No effort is recognizable to clearly give preference to the party functionaries and the members of the government and to obtain safe seats in the parliament for them. But the national list forms only less than one tenth of the new parliament and its composition is considerably different from the group of the 351 direct seats.

The Direct Seats

If the composition of the 1985 parliament is compared with that of 1980, some clear differences are conspicuous. The comparison in Table 3 follows the occasionally difficult-to-comprehend categories of the Hungarian party parlance.

If the classification by occupations is examined and the figures[21] submitted by Sandor Barcs, President of the Mandate Commission and former president of the Hungarian news agency MTI, to parliament with those mentioned by Central Committee Secretary Istvan Horvath on 26 June 1985 in his speech to the MSZMP Central Committee, extensive differences attract notice in one point. Barcs spoke of 133 workers in parliament (=34.5 percent) while Horvath spoke of a share of 21 percent workers in parliament (=81 percent). A check of these figures by means of the occupational designations of the deputies in the list of candidates reveals that there are only 35 workers and 13 (mostly working in industry) foremen. A generous one tenth (depending on whether or not the foremen are included with the workers: 9.1 or 12.4 percent) of the deputies can be classed as workers.

The figures reveal a dilemma: The word "worker" is part of the name MSZMP while the realistic connection declines. So as not to lose the ideologically necessary

Table 3: Classification of the Parliament According to Social Factors, 1980 and 1985

	1980		1985	
	absolut (1)	%	absolut (1)	%
Nach Beschäftigung (2)				
Arbeiter (3)	158	44,9	133	34,5*
Bauern (4)	46	13,1	16	4,1
Geistesschaffende (5)	130	36,9	179	46,4
Angestellte (6)	17	5,1	58	15,0
Übrige (7)				
	352	100,0	386	100,0
Davon (8)				
parteilos (9)	100	28,4	89**	23,0
weiblich (10)	106	30,1	82	21,2
unter 30 Jahren (11)	44	12,5	21**	5,4

* According to NEPSZABADSAG, No. 151 of 29 Jun 85, p 2: 133 workers (=34.5%); According to NEPSZABADSAG No. 151 of 29 Jun 85, p 5: 21% workers and foremen (=81 persons).

** Absolute figures not mentioned; extrapolated from the percentage figures according to NEPSZABADSAG, No. 151 of 29 Jun 85, p 5.

Source: "A szocializmus utjan," Budapest 1982, pp 578-580; NEPSZABADSAG, No. 121 of 25 May 85, pp 3-5; No. 134 of 10 Jun 85, pp 2-3; No. 142, of 19 Jun 85, p 3; No. 146 of 24 Jun 85, p 3; No. 151 of 29 Jun 85, pp 2 and 5.

Key:

1. Absolute
2. According to occupation
3. Workers
4. Peasants
5. Intellectuals
6. White collar workers
7. Others
8. Including
9. Nonparty
10. Female
11. Under 30 years of age

claim, the number of workers is artificially raised by changing categories. Thus Sandor Barcs spoke misleadingly of the "original occupations" of the deputies. The contradiction became evident in his other figures: 282 deputies have a university or college degrees. Almost three quarters of the parliament consist of academicians. A total of 113 deputies have a doctorate. If Sandor Barcs' figures are taken literally, then at least 29 "workers" with degrees sit in parliament.

The attempt to structure the occupational data of the deputies provided in the list of candidates leads to the following picture (Table 4). Managerial employees in industry from the director to the plant manager occupy one fourth of the seats. Managerial employees of the cooperatives in the broadest sense, especially from the agricultural sector, raise the share to nearly four tenths. The two quality controllers form a kind of hybrid, since they can no longer be regarded as managerial employees but on the other hand are removed from the workers. Foremen and workers have been discussed above.

Behind all these categories the peasants are also hidden whose dwindling share has not become visible at all up till now. Thus there are a department manager and a group manager, two plant managers, 4 workers and 2 foremen who are working in agriculture. Together with 40 agricultural producer cooperative chairmen and 2 state farm directors, there would be 52 deputies who have to be regarded as active in agriculture as their regular occupation and as "peasants" in the broadest sense of the word. Thus their share is three times that indicated by Sandor Barcs.

The group of employees mentioned in Table 3 is even more difficult to specify. It probably comprises those employed by the state, the municipality or economy who make their living by nonmanual, dependent work. But most of the intellectuals, too, make a living from such work (i.e. as white collar workers). To make distinctions is difficult here. Excluding the few self-employed persons, all deputies except for those expressly making a living from manual labor as workers and foremen could be so designated.

The professional functionaries form a group which officially does not exist. The labor union functionaries had to accept some considerable losses in this election. The SZOT president, Gaspar Sandor, as mentioned above, had been elected by means of the national list. The general secretary, Mehes (Budapest 44), only replaced on 4 March 1985, was directly elected while the present SZOT secretary, Istvan Gal (Tolna 3) and Sandor Nagy (Hajdu-Bihar 13) were defeated. Of the big labor unions, only the general secretary of the Agricultural and Forestry Workers Union (Pest 6) gained a seat, while his colleagues of the Chemistry Workers Union and of the Iron, Metal and Electric Energy Industry Workers Union (Budapest 67, Borsod 12) were defeated. The union secretaries of Budapest (district No. 40; in competition with a plant labor union secretary), of the counties of Bacs-Kiskun (4), Komarom (1) and Veszprem (13) as well as two plant labor union secretaries (Budapest 62, Heves 1) were, however, accepted by their voters.

The MSZMP functionaries also emerged from the election weakened by one third. While in 1980, 47 full-time party functionaries were deputies, their number was reduced to 33, and, if the national list deputies are deducted, to 26. A total

Table 4: Occupational Designations of the Deputies, 1985

		(1) gesamt	davon Dr. (2)
Direktoren	(3)	56	21
Abteilungsleiter	(4)	12	1
Gruppenleiter	(5)	17	0
Betriebsleiter	(6)	16	0
	26,2%	101	22
LPG-Vorsitzende	(7)	40	11
Staatsgutsdirektoren	(8)	2	0
Genossenschaftsleiter	(9)	7	1
	12,7%	49	12
Qualitätskontrolleure	(10)	2	0
	0,5%	2	0
Arbeiter	(11)	35	0
Meister	(12)	13	0
	12,4%	48	0
Gewerkschaftler	(13)	9	2
MSZMP-Funktionäre	(14)	33	6
HNF-Funktionäre	(15)	5	1
	12,2%	47	9
Minderheitenvertreter	(16)	4	0
	1,0%	4	0
Regierungsmitglieder	(17)	13	4
Ratsvorsitzende	(18)	20	7
Polizeiangehörige	(19)	1	1
Militärangehörige	(20)	4	0
	9,9%	38	12
Geistliche	(21)	7	1
Lehrer	(22)	28	14
Ärzte	(23)	32	30
Ingenieure	(24)	11	2
Juristen	(25)	3	3
MTA-Angehörige	(26)	4	4
Bibliothekar	(27)	1	0
Journalisten	(28)	6	4
Künstler	(29)	5	0
	25,1%	97	58
Insgesamt (30)	100,0%	386	113

Key:

1. Total
2. Including those with doctorates
3. Directors
4. Department managers
5. Group managers
6. Plant managers
7. Agricultural producer cooperative chairmen
8. State farm directors
9. Managers of cooperatives
10. Quality controllers
11. Workers
12. Foremen
13. Labor unionists
14. MSZMP functionaries
15. HNF functionaries
16. Representatives of minorities
17. Members of the government
18. Council chairmen
19. Members of the police
20. Members of the military
21. Clergymen
22. Teachers
23. Physicians
24. Engineers
25. Jurists
26. Members of the Hungarian Academy of Sciences
27. Librarian
28. Journalists
29. Artists
30. Total

of 52 functionaries had been candidates. Of these 14 faced each other in 7 districts, which thus were safe for the party. Among the 26 victorious candidates here were one former and 2 active Central Committee secretaries, 3 Central Committee staff members, 11 party secretaries on county level, 4 on city level and 3 on plant level. In addition there is the former president of the Central Party Control Committee, Janos Brutyo and a very young and--basically contrary to all expectations--successful functionary: a local representative of the party youth organization KISZ, Gyula Szucs, defeated the Central Committee Secretary of long standing, former minister and confidant of Janos Kadar, Bela Biszku, in the runoff election with 50 percent more votes and relegated him to third place of the three-candidate competition in the main election and the runoff election (Szabolcs-Szatmar 16). The high voter participation of 97.9 and 97.6 percent, respectively, excludes the fortuitousness of the result as well as the fact that Szucs was able to widen his lead over Biszku from 2.8 to 12.1 percent. The voters decided clearly and consciously against the representative of the conservative wing in the MSZMP.

Table 5 offers a survey of how the party management is represented in parliament. The qualitative difference between the group represented on the national list and the group of those elected by direct vote is conspicuous. It is shown in the distribution of the Politburo members (10:2). Karoly Grosz was the only one not a candidate. Two of the 6 Central Committee secretaries were on the national list, two others were in competition, the other two (Istvan Horvath, who later commented on the result before the Central Committee, and Pal Lenard) did not become candidates.

Barely three tenths of the Central Committee members sit in the parliament in which they constitute a modest 8.03 percent. If only those with direct seats are considered, then the Central Committee members constitute only 4.56 percent. Nevertheless they are a group standing out from the mass because on the average 67.1 percent of the voters expressed their confidence in them. Thus they are a marked 8 percent above the national average. To rate this result as a vote in favor of the MSZMP would perhaps be rash since in most cases they hold more important positions outside the party which in the eyes of the voters undoubtedly frequently had priority. Various factors are decisive for the fact that they came off well: in addition to the personal popularity, the reward of office, occasionally also the habit and the lack of an attractive opponent. The question concerning possible manipulation raised in this connection cannot be answered on the basis of the available documents. Even though rumors might harden into suspicion in an individual case (for which there is no indication at this time), under no circumstances is it possible to assume a general line, as the negative election results show.

In addition to Bela Biszku, 7 functionaries were defeated on county level (including 5 who are retired); 9 on city level (including one retired); 4 on municipality level; 4 on enterprise level; one KISZ representative and two more prominent representatives of ideological indoctrination: Istvan Huszar, director of the MSZMP Party Historical Institute (Borsod 18) and Erno Molnar, director of the Research Institute for Marxism-Leninism of the Gyor colleges (Gyor-Sopron 3). Thus the number of defeated functionaries with 28 persons is nearly as big as that of the successful full-time functionaries with 33 persons (see Table 5).

How unsure the functionaries felt as candidates can be deduced from the fact that 5 functionaries did not stand for the runoff election following an inadequate election result on 8 June and abstained from being candidates again.[22] The weakened picture of the party organization (with a declining share from (1980) 13.3 percent to (1985) 8.6 percent) is in unexpected contradiction to the rising share of party members (from 1980) 71.6 percent to (1985) 77.0 percent).

Among the biggest losers of the election is its organizer: the HNF. As a result of the national list, its president, Gy. Kallai, and its general secretary, Pozsgay, had safe seats, while the vice-presidents, Mrs. Szentivanyi (Baranya 10) and L.S. Hegedus (Pest 24) did not succeed in acquiring the confidence of the voters. The HNF county secretaries of Hajdu-Bihar (district No. 8) and Szabolcs-Szatmar) (8) gained election to parliament while their colleagues from Baranya (1), Komarom (6) and Zala (2) were defeated. The HNF secretary of Budapest and deputy of many years (Budapest 56) entered parliament with a bare 50.1 percent; however, his colleagues from Kalocsa (Bacs-Kiskun 16) and Sarkad (Bekes 15) failed to do so. Thus in 7 of 10 cases the voters decided against the HNF.

Table 5: Members of Parliament With Simultaneous Function in the MSZMP

	Abgeordneter 1980 (1)	ZK-Mitglied (2)	Politbüromitglied (3)	ZK-Sekretär (4)	Stellvertretender Generalsekretär (5)	Generalsekretär (6)	Wahlergebnisse 1985 (%) (7)
Landesliste: (8)							
Duschek, Mária Schönláber		x					
Gáspár, Sándor	x	x	x				
Hámori, Csaba		x	x				
Havasi, Ferenc	x	x	x	x			
Kádár, János	x	x	x			x	
Kállai, Gyula	x	x					
Katona, Imre	x	x					
Lázár, György	x	x	x				
Losonczi, Pál	x	x	x				
Németh, Károly	x	x	x		x		
Ovari, Miklós	x	x	x	x			
Péter, János	x	x					
Pozsgay, Imre		x					
Sarlós, István	x	x	x				
Szabó, István	x	x	x				
Direktmandate: (9)							
Aczél, György (Baranya 1)	x	x	x				70,3
Apró, Antal (Csongrád 1)	x	x					73,7
Berecz, János (Szabolcs-Szatmár 6)		x		x			75,5
Borbély, Sándor (Budapest 34)		x					61,1
Brutyó, János (Nógrád 2)	x	x					54,2
Cservenka, Ilona Székely (Pest 4)	x	x					60,8
Karakas, László (Hajdú-Bihar 12)	x	x					67,3
Kárpáti, Ferenc (Pest 7)	x	x					67,9
Korom, Mihály (Bács-Kiskun 8)	x	x					53,9
Maróthy, László (Békés 13)		x	x				87,7
Méhes, Lajos (Budapest 44)	x	x					64,7
Nyers, Rezső (Bács-Kiskun 1)	x	x					63,7
Szépvölgyi, Zoltán (Budapest 57)	x	x					65,0
Szürös, Mátyás (Hajdú-Bihar 15)		x		x			85,7
Takács, Ágnes Barcza (Csongrád 4)	x	x					59,5
Várkonyi, Péter (Budapest 14)		x					62,1
Landesliste (8)	12	15	10	2	1	1	
Direktmandate (9)	11	16	2	2			
	23	31	12	4	1	1	
von insgesamt (10)	110	105	13	6	1	1	

Source: NEPSZABADSAG, No. 74 of 29 Mar 85, pp 4-5; No. 134 of 10 Jun 85, pp 1-3; No. 146 of 24 Jun 85, p 3.

Key:

1. Deputy (1980)
2. Central Committee member
3. Politburo Member
4. Central Committee Secretary
5. Deputy General Secretary
6. General Secretary
7. Election Results, 1985 (%)
8. National list
9. Direct seats
10. Of total

The election was disastrous for the Association of Hungarian Resistance Fighters and Antifascists. Neither of their two candidates, General Secretary Ispanovits (Bacs-Kiskun 18) or Vice-President Uszta (Heves 11) was elected. In view of the role played by the association in public at all festive events, the realistic assessment of its importance was expressed here by the voter.

The representatives of all national minorities consciously nominated for the first time received their parliamentary seats with equal representation by means of the national list. (In this connection it should be noted that the gypsies do not possess the status of a national minority). The representatives of the nationalities did not find any response in the case of the direct seats. Thus Janos Budai, the director of the faculty and of the "Nicolae Balescu" Nationalities School (ranging from the elementary stage up to the secondary school) did not succeed in mobilizing the voters who again put their trust in the former deputy and meanwhile retired teacher of the local Hungarian elementary school, Mrs. Laszlo Sebesi (Bekes 6). This vote of 74.1 percent of the ballots cannot be called anything but overwhelming.

The following group consists of the members of the government, administration and of the security organs. The deputies who had received a place on the national list from the circle of the government have already been mentioned: Parliamentary President Sarlos, Prime Minister Lazar, State President Losonczi, his two deputies, and the secretary and 10 (part-time) members of the Presidential Council. In addition, based on the voter preferences, Foreign Minister Varkonyi (Budapest 14), Deputy Prime Minister Marothy (Bekes 13), Deputy Parliamentary President Cservenka (Pest 4) and Deputy Director of the Office for Standards Suto (Vas 9) entered parliament. Thus of the 19 members of the Council of Ministers 16 are not members of the parliament.

In contrast (according to the constitution) all members of the Presidential Council are elected by the parliament from its own ranks. Of the members elected in 1980, four did not become candidates. Three former members of the Presidential Council failed to be reelected and lost their electoral districts: Mrs Zoltan Desi (Budapest 7), Ignac Pioker (Budapest 12) and Gyula Uszta (Heves 11), the general secretary of the partisan association. In the election for the Presidential Council on 28 June 1985, the 14 reelected deputies from the circle of the former Presidential Council were reelected. The remaining 7 seats were obtained by 3 representatives from the national list and 4 direct seatholders. Four of the 7 new members of the Presidential Council sit in parliament for the first time. It is noteworthy that direct seatholders were elected members of the Presidential Council who had achieved outstandingly good election results.

The voters were quite discriminating precisely among the former officeholders who were candidates for election: Antal Apro (Csongrad 1), the former parliamentary president and companion of Kadar and former ministers Puja (Bekes 8) and Biro (Gyor-Sopron 6) were elected, while former ministers Benkei (Budapest 3) and Szurdi (Budapest 2) and even former prime minister Fock (Gyor-Sopron 5) were rejected.

In the ranks of ministers in office or former ministers, two names and electoral districts are conspicuous. During the election campaign, news reports from Foreign Minister Varkonyi's electoral district (Budapest 14) were published in various Western newspapers since a member of the unorganized opposition, Miklos Tamas-Gaspar, competed as an additional candidate. Tamas-Gaspar comes from Transylvania, is a philosopher and a committed fighter for the rights of the 2-million Hungarian minority living in Romania. Since Hungarian foreign policy follows a road of very small steps in this question which is attacked by opposition circles as ineffective, the exponents of the two groups clashed at the nominating meeting. However, after the second election meeting with a 3-hour debate of the opponents, Tamas-Gaspar collected only a total of 135 out of 1018 votes. Thus he failed to get the necessary third of the votes for the nomination.

In the neighboring electoral district Budapest 13, another opposition member competed for a candidacy, the architect Laszlo Rajk, who as a son of the Laszlo Rajk executed in 1949 and rehabilitated in 1956, represents a kind of "figurehead" of the opposition. At the two nominating meetings he received 468 of 1611 votes and with 29.05 percent only barely failed to get the nomination after having received more than one third of the votes at the first meeting.

The reasons for the failure of the two differ. For one thing, the difference in the vote for Tamas-Gaspar and Rajk (and the even worse result of other opposition members) is an indicator of their name recognition among the people.

The Western press undoubtedly overestimates the influence and the broad effect of the opposition, the reason why the expectation of that press was perhaps too great. On the other hand, self-censorship of the citizens ("the scissors in the head") to which they have been accustomed for 40 years limits from the start the election or nomination chances of opposition candidates--even without specific opposition from state or party. Realistically the candidates had to expect the lacking courage to express support for the opposition. Tamas-Gaspar's bad performance moreover may be attributable to Peter Varkonyi's popularity, which he has achieved at home and abroad during the short period in office since 8 July 1983. Even though in the 8 June election he was opposed by two additional candidates, he received 62.1 percent of the votes while his opposing candidates each remained below 25 percent.

The other noteworthy electoral district is in Battonya (Bekes 8). It is the traditional electoral district of former foreign minister Frigyes Puja. His standing in the MSZMP quickly declined after his resignation in 1983. As sole former foreign minister he did not get a Central Committee seat at the 13th Party Congress in March 1985. He also had not been nominated as a parliamentary candidate by the HNF while his predecessor in office, Janos Peter, had received a safe seat on the national list. At the election meetings Puja was, however, nominated by his fellow citizens and with 54.8 percent of the votes against the local agricultural producer cooperative chairman (16.3 percent) and the municipal council chairman (28.9 percent) achieved a clear victory even though it was not as convincing a victory as that of Varkonyi.

Of the administrative officials who in most cases took part in two elections simultaneously--on the one hand, for parliament, on the other hand for the regional council--only one representative could be noted on the national list, namely Pesta, the former deputy chairman of the city council, thus vice-mayor of Budapest. For direct seats 31 council chairmen were candidates for election, of whom 20 (=64.5 percent) were elected to parliament. Thus the result is by far less positive than in the case of the council elections. There of all 1511 council chairmen 1508 were candidates for election and 1471 of them (=97.4 percent) were confirmed. In the election to the parliament, the evaluation by the voters is remarkable: of the 12 municipal council chairmen only 6 (and of them 2 only in the runoff election) were elected, but 9 of 11 county council chairmen, 5 of 8 mayors up for election were confirmed. The most prominent loser in this connection is the vice-mayor of Budapest, Richard Nagy (Budapest 62), while his colleague Istvan Stadinger (Budapest 6) and Chief Mayor Zoltan Szepvolgyi (Budapest 57) won.

The police is represented in the parliament solely by Dr Antal Toth (Bacs-Kiskun 16), who is deputy director of the county police directorate in Kalocsa and was able to prevail against the city HNF secretary.

The Hungarian People's Army sends 3 officers and one civilian to the parliament. While the civilian employee Karoly Viola (Pest 14) successfully competed with an employee of the agricultural producer cooperatives, in the other three electoral districts soldiers faced one another. This competition among equals is interesting for two reasons. First of all it is remarkable that the voters in each case preferred the higher-rank officer: a major general over a colonel (Fejer 6) and a lieutenant colonel (Veszprem 12) and a Lieutenant general over a colonel (Pest 7).

The clergy are included in the professional group of the intellectuals. Their large share of seats on the national list (17 percent) indicates that the HNF regards them moreover as representatives of important mass organizations. According to Hungary's historical tradition, all religious persuasions are treated the same way. As mentioned above, the national list includes 2 Catholic priests, 1 Reformed and 1 Lutheran clergyman, 1 rabbi and 1 representative of the Free Churches. Clergymen were successful candidates for two additional direct seats. Here, too, 2 similar candidates faced one another: the Reformed bishop of Miskolc, Laszlo Kurti, defeated his deputy (Borsod 2), the president of the College for Religious Doctrine, Dr Istvan Pregun, was victorious over the director of the Greek-Catholic episcopate (Szabolcs-Szatmar 1). With Istvan Pregun the last denomination not represented, the Greek Catholic rite, received representation in the parliament. The high rank of the church representatives is notable while in contrast clergymen are absent from the municipality sector. The reasons for that probably have to do with intra-church discussions on the strength of the involvement in state organizations. These problems became known especially from the Catholic Church which is torn between the desire for clerical opposition in atheist states, the aversion towards state associations of priests such as "Pacem in terris" in the CSSR and the discussion concerning the Central American liberation theology. As statements by Cardinal Lekai[24] confirm, these thoughts also governed the Hungarian theologists during the election campaign.

The trend of intellectualizing the parliament discussed above corresponds to the fact that an excessive share of teachers, who did not have a single representative on the national list, received direct seats (8 percent). The fact of their being widely known in the electoral district may have been a contributing factor hereby. Most of the 28 pedagogues are school directors (14) and university and college teachers (5).

The profession close to the people, which was mentioned in the case of the teachers, of course also applies to the medical profession even more. Of the latter's 32 representatives, 7 are veterinarians who are of especially great importance for Hungary, which continues to be strongly agriculturally oriented. The confidence of the voters in their physicians is shown by the election of the district physician of Pomaz (near Szentendre), Dr Janos Juhar, who defeated the former deputy and HNF vice-president with 58.7 to 15.7 percent of the votes (Pest 24).

With the 11 engineers among the deputies, the most varied branches of this wide-ranging professional field are represented, which ranges from heavy industry to the energy industry and to the foodstuffs industry. If the technical intelligentsia is not included among the managerial personnel and directors, then the technical intelligentsia would be underrepresented by the 11 engineers alone.

The three most important branches of jurisprudence have one representative each in the parliament. The following were elected: the president of the Budapest bar association, Jeno Horvath, (Budapest 1), the senior public prosecutor of Hajdu-Bihar County, Csaba Kreszti, (Hajdu-Bihar 4) and the legal officer of an industrial cooperative, Frigyes Tallassy (Budapest 24). While the first two represent traditional areas, F. Tallassy represents a field of activity which gains importance with the increasing diversification of the Hungarian economy to more smaller, competitive and independently operating enterprises.

The four deputies identified as staff members of the Hungarian Academy of Sciences are high-ranking scientists in their fields: Bruno F. Straub and Janos Szentagothai are biologists and Jozsef Bognar and Rezso Nyers are economists. Only Rezso Nyers, who can be regarded as the "father" of the New Economic Mechanism and remains a critical observer and adviser following his resignation as Central Committee secretary, faced the voters (Bacs-Kiskun 1), while the others had their names on the national list. However, another biologist of the Academy was unable to gain the confidence of the voters (Csongrad 6).

The scientific-intellectual professions include a female librarian of the "Ervin Szabo" City Library (Budapest 21) as well as 6 journalists. While the general director of the Hungarian news agency MTI, Barcs, had a place on the national list, the successor in his office, Burjan, did not gain the confidence of the voters. The publishers of the newspapers PETOFI NEPE, NEPSZAVA and MAGYAR FILMHIRADO (Bacs-Kiskun 5, Borsod 19, Budapest 47) were elected in contrast to the publisher of MAGYAR NEMZET (Budapest 36), his predecessor (Budapest 18) and the former publisher of ESTI HIRLAP (Budapest 38). The main staff member of the Hungarian radio, Karoly Eke, (Csongrad 10) and the editor and reporter of the Szeged MTV television studio, Zoltan Kiraly, (Csongrad 5) prevailed only in the runoff election but in doing so achieved above average good results of 65.2 and 81.3 percent. Zoltan Kiraly thus achieved the fifth best result nationally while the result of Karoly Eke deserves attention because he was not nominated until the runoff election. The "new media" thus fared clearly better than the print media with their old and new representatives. But overall the election result reveals little concerning the view of the electorate of the press and information policy of the government.

The last professional group among the deputies consists of the representatives of the fine arts. Two prominent artists, the sculptor I. Varga and the actor F. Kallai, who are involved in various organizations,were placed on the national list. The actor Banffy and the opera singer Leblanc were able to prevail against their nationally renowned competitors (Budapest 4: against the vice-president of the National Lawyers Council; Budapest 67: against the general secretary of the Chemical Workers Union). Their voters apparently saw more involvement in their case than in the case of the officeholders of many years. The past deputy, the actor Avar (Budapest 17) was able to hold on to his seat.

The five biggest groups of deputies consist of directors (56 seats), agricultural producer cooperative chairmen (40), workers (35), MSZMP functionaries (33) and physicians (32), who, taken together, constitute half of the parliament membership. The representatives of the mass organizations, the government, administration and security organs constitute only about one fifth of the deputies. Accordingly characteristic of the composition of the parliament on the one hand is the high level of education and on the other hand the preponderance of the economic leaders and managerial staff (150 seats) as well as the intelligentsia (97 seats),who combined hold nearly a two-thirds majority.

The Reelected Deputies

In comparing the results of the 1985 election with those preceding it, the question arises what change has taken place among the officeholders and to what degree deputies have found the confidence of the electorate once again. As mentioned above, two-thirds of the 35 members of the national list and three-fourths of the Central Committee members among the deputies had already belonged to the parliament in the previous legislative period.

Of the 352 deputies of the old parliament, 183 (thus about one half) were candidates again. Of them 104 were immediately elected, 60 were rejected. In the electoral districts in which a runoff election was necessary, 4 former deputies withdrew from the runoff election. Of the other 15, 6 were confirmed in the runoff election. Overall the voters rejected 40 percent of the deputies who had become candidates for reelection.

Nevertheless an incumbent's advantage in the reelection can be recognized. Thus the 183 candidates constituted 23.9 percent of all candidates. But in terms of all direct mandates, the share of the reelected 110 increased to 31.3 percent. It must not be forgotten that in this so advantageously acting increase of the share that in the case of this group there could not be any competition among equals and thus no "lost" candidacies.

The incumbent bonus is also expressed in another figure. The voters gave them 60.4 percent of their votes in the average of the electoral districts and thus one percent more than the other 241 direct seatholders. Thus the reelected deputies possessed the special confidence of the voters while the votes out of habit kept within bounds. The deputies who were not reelected were consciously rejected, such as the former deputy of Kapuvar and first secretary of the county party committee, Bela Hary, who received only 8.4 percent of the votes (Gyor-Sopron 12).

Overall the reelected deputies constituted only one third of the new parliament. Of the 386 deputies, 244 were elected to the parliament for the first time. They, in particular, will shape the work of the coming legislative period.

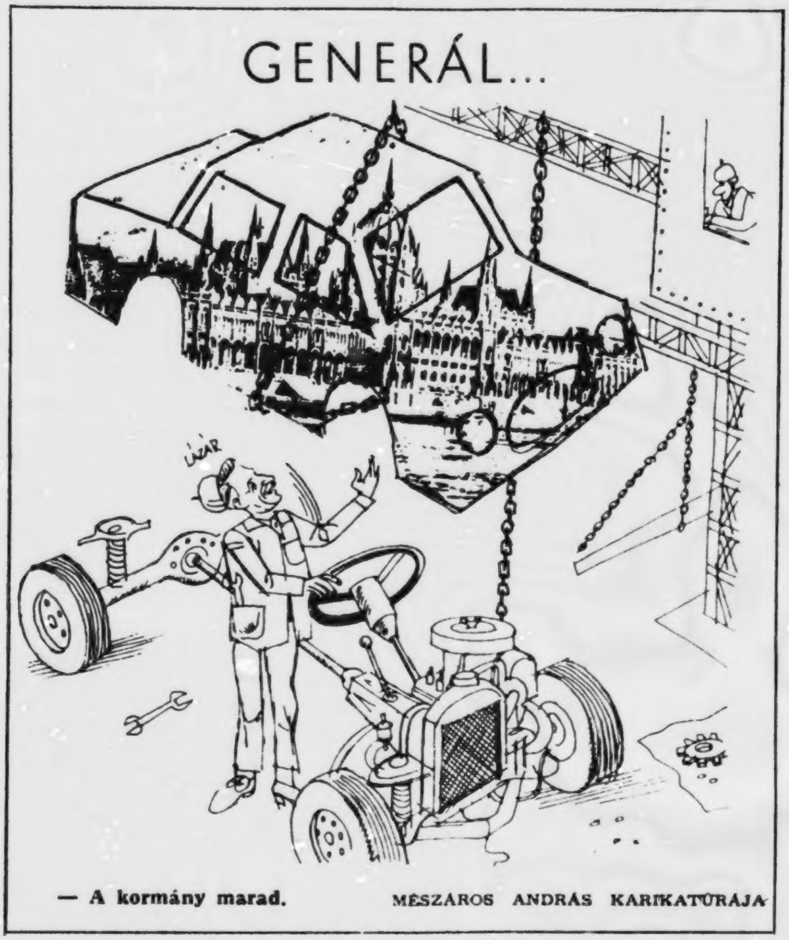
The Prospect

The Presidential Council on 24 June 1985 convened the elected parliament for the constituent session for 28 June 1985, in accordance with Article 28, paragraph 5 of the constitution.[25]

The reports on this session[26] record painfully precisely the long accustomed pattern of the parliamentary proceedings. There were no changes in the important positions of the president of the parliament and his deputies. The cabinet was confirmed without change. It was not until the election to the Presidential Council and of the individual committees that the results of the election had any effect on their composition. But nothing happened that would indicate any change.

With a scathing pen Andras Meszaros recorded the result: He pictured Prime Minister Lazar as a car mechanic at a car made of wheels, an engine, steering wheel and transmission. A new body is lowered over the frame which shows the view of the parliament building. The caption reads quite clearly: "The Government Remains." (A kormany marad). Here the parliament is shown as an embellishment without any influence on the movement of the vehicle. Thus nothing significant would have changed? The incomplete heading "General..." could be completed in different ways. In this sense, if the government were to assess the election exclusively as a "general confirmation," then all beginnings and efforts of the 1985 election and of its election campaign were in vain.

But the signs do not point in this direction. The mass organizations have no reason for self-satisfaction. Even before the constituent session of the parliament, the MSZMP Central Committee met on 26 June 1985 and the Presidium


GENERÁL...
LÁZÁR
— A kormány marad.
MÉSZÁROS ANDRÁS KARIKATÚRÁJA

Caption: GENERAL...

"The government remains"

NEPSZABADSAG, No. 151 of 29 June 1985, p 21; cartoon by Andras Meszaros

of the HNF on 27 June 1985. As usual nothing became known of the disputes within these bodies. While the HNF did not decide on anything but the convening of the Eighth HNF Congress for 13 December 1985, the Central Committee published a communique[28] whose second part dealt with the election. Aside from some customary sentences of the self-confirming party language, aftereffects of the surprise that the election must have provided for some can be noted: "The elections deepened socialist democracy and enriched it by some new features." The willingness to include the new developments and not to nip them in the bud is reflected in the advice: "The deputies and council members should make use in their work of all the generally interesting proposals which the citizens made in the election discussions." In the HNF, too, which faced the development with much greater reservation, the intention was stated earlier that "in the future public opinion would have to be sounded out much more carefully."[29]

In the future this may possibly have the effect for the citizen of indirect, for the deputy of direct representation of interests and participation in political decisions without having to follow the road through the organizations (HNF or MSZMP). Thus the way is opened for less ideological tutelage of the citizen and for more democratization and freedom.

The main questions in the discussion between Western and Hungarian commentators were whether these elections involved "free" elections or whether,on the basis of the existing laws and present social trends,"free" elections can develop. Presentation of the problems and fundamental question raised in this connection would require a more detailed commentary. One aspect which is part of the narrow field of examining an election is the question concerning the importance of the candidates nominated by the voter meetings and sometimes referred to as "independent." Here it must not be forgotten under any circumstances that acceptance of the HNF program was obligatory for all. The nomination of Frigyes Puja alone, who belongs to the party conservatives and is no longer a Central Committee member,makes the designation questionable. On account of the commitment to the common HNF program, the question concerning the nonparty persons also makes it difficult to respond with a definite assessment. Occasionally the party members are more critical than the nonparty persons. The dubiousness of figures only is shown by the fact that under Rakosi there were 30 percent nonparty persons in the parliament who did not possess opposition character in the least. During the past 30 years the share of the nonparty persons increased from 18.3 percent in 1958 to 38.9 percent in 1975 and from that time declined again: 24.8 percent (1980), 23.0 percent (1985). Thus it is in the order of magnitude that prevailed at the time of the introduction of the economic reforms in the 60's.

The more pronounced formation of party groups within the HNF and in the MSZMP permits ideologically divergent wings or groupings to emerge more and more clearly. The fact that the voter has seen and assessed these differences is shown by his behavior. Perhaps this also explains the fact that fewer party functionaries but more party comrades are elected because more voters identify with part of the spectrum within the ideologically liberalized party. Thus the approval applies less to the party in general but more to the wing whose representative was elected. Hereby the active and economically liberal representatives were elected for whom the election of National Bank Vice-President Janos Fekete can be mentioned as the most prominent example.

The voter also expressed honestly how he views the balance of power and also saw real possibilities for action in his sense. Thus the voters considered themselves better represented by the director than by the party secretary of their factory (here LEHEL) and placed their confidence with 71.3 percent in the one who had represented them before in the parliament (Szolnok 15). In general the labor unions were rated low (even on the national list), the Association of Resistance Fighters and Antifascists was totally rejected and confidence was withdrawn from wide circles of the HNF. Former officeholders in the state--regardless of whether they had been ministers or council chairmen--or in the party had hardly any chances with the voters. In such cases, the voters preferred the local representatives to the well known but powerless national figures. As an example, the defeat of Jeno Fock by the local agricultural producer cooperative chairman (Gyor-Sopron 5) can be mentioned. The emphasis of the regional element is an outgrowth of the 1966 electoral district reform and the repeatedly emphasized close relationship between deputy and electoral district. Even during the election campaign speeches, the emphasis of the regional relationship came to the fore and also determined the nominations.

In conclusion it can be stated that the Hungarian voter knew how to use the greater and freer scope granted to him. Thus the hope exists that the will of the voter may be converted into the deed in an active parliament. The future will show whether or not this can be done.

FOOTNOTES

1. A transitional National Assembly was constituted on 21 Dec 44 which was confirmed by the election of 4 Nov 45.

2. MAGYAR KOZLONY (hereinafter referred to as MK), No. 60 of 27 Dec 83, pp 1135-1152.

3. NEUE ZUERCHER ZEITUNG, Fernausgabe (hereinafter referred to as NZZ), 24 Apr 85, p 2; NZZ, 25 Apr 85; DPA, 5 Jun 85; DPA, 10 Jun 85; AP, 11 Jun 85; NZZ, 11 Jun 85, pp 1-2; NZZ, 13 Jun 85; NZZ, 26 Jun 85, p 2. Summaries of various commentaries: NEPSZABADSAG (hereinafter referred to as NSZ), No. 135 of 11 Jun 85 "Recent Foreign Press Opinions on Hungary's Election"; Janos Nemes: "Commentaries From the West. Old Routine, New Sneering," in: BUDAPESTER RUNDSCHAU (hereinafter referred to as BR), 24 Jun 85, p 4; Steven Koppany: "Election Results and Assessment," in RFE-RL: Hungarian Situation Report, No. 8 of 21 Jun 85, pp 15-17.

4. "Alkoto nepkepviselet," in NSZ, No. 241 of 13 Oct. 84, p 3; German abridged: "Creative People's Representation," in BR, No. 42 of 22 Oct 84.--Cf. NSZ, No 163 of 13 Jul 85, p 1.

5. MK, No. 71 of 18 Nov 66, pp 643-654; until then the Presidential Council Decision (NET) 1-19/1958 [MK, No. 9 of 27 Sep 58, pp 670-678] applied to all parliamentary elections in connection with the regulations of Law VIII/1945, XXII/1947, IX/1949, II/1953.

6. MK, No. 83 of 14 Oct 70, pp 846-851.

7. NSZ, No. 121 of 25 May 85, p 21.

8. Laszlo Rozsa: "In Good Direction" in: NSZ, No. 127 of 1 Jun 85, p 23; German abridged: L.R. "Experiences of the Election Campaign," in: BR, 10 Jun 85, p 4.

9. "Interview With Istvan Sarlos on the Parliament, Candidacies and Deputies," in: NSZ, No. 109 of 11 May 85, p 5.

10. "Halftime of the Election Campaign," in: BR, 27 May 85, pp 1-2. All following information from: NSZ, No. 121 of 25 May 85, pp 3-5; NSZ, No. 134 of 10 Jun 85, pp 1-3; NSZ, No. 142 of 19 Jun 85, p 3; NSZ, No. 146 of 24 Jun 85, p 3; MK, No. 24 of 9 Jun 85, pp 569-599; MK, No. 26 of 23 Jun 85, pp 625-632.

11. Istvan Horvath: "Progress on the Road of Socialist Democracy," in: NSZ, No. 151 of 29 Jun 85, p 5; German abridged: Istvan Horvath: "Utilize Expanded Democratic Leeway for Politics," in: BR, 8 Jul 85, pp 2-3.

12. Rozsa (footnote 8): Central Committee Secretary Horvath spoke even more directly in opposition to the nominating monopoly of the HNF. Horvath (footnote 11).

13. Koppany (footnote 3), p 10.

14. Reuter, 10 Jun 85, cited in: Koppany (footnote 3), p 9[3].

15. Antal Toth: "What People Have to Know About our Election System," Budapest 1985(195 pp, 25 forint).

16. NSZ, No. 125 of 30 May 85, p 5: NSZ, No. 127 of 31 May 85, p 21; NSZ, No. 131 of 6 Jun 85, p 5; NSZ, No. 132 of 7 Jun 85, p 1; for the runoff election a summary was repeated: NSZ, No. 144 of 21 Jun 85.

17. NSZ, No. 151 of 29 Jun 85, p 2.

18. In Csongrad 8 (4 candidates): Victor: Mrs. Istvan Bibok, 26.94 percent, ahead of Vince Abraham, 26.86 percent, and in Szolnok 5 (4 candidates): Dr Ferenc Kiraly, 36.74 percent, ahead of Peter Csuri, 36.70 percent. NSZ, No. 146 of 24 Jun 85, p 3.

19. Implementing Regulations to Law III/1983 (footnote 2): Presidential Council Resolution (NET) 1/1985 and Ministerial Council Resolution (MT) (III.8) in: MK, No. 11 of 8 Mar 85, pp 181-205.

20. 50.1 percent: Emil Pejak (Budapest 56), Mrs. Gyula Krisztan (Budapest 61), Miklos Devcsics (Nograd 1), Ilona Toth (Veszprem 13); 50.2 percent: Dr Mihaly Hanko (Bekes 2); 50.3 percent: Karoly Kovacs (Budapest 40), Mrs Rezso Weiszbock (Gyor-Sopron 15), Henrik Fenyvesi (Somogy 7, 3 candidates); 50.4 percent: Laszlo Krekacs (Pest 8), Antal Ferenc (Veszprem 7); 50.5 percent: Katalin Eke Feher (Borsod 10), Mrs Gabor Sagi (Fejer 10).-- 87.7 percent: Dr Laszlo Marothy (Bekes 13); 85.7 percent: Dr Matyas Szuros (Hajdu-Bihar 15); 82.4 percent: Miklos Varga (Veszprem 10); 81.5 percent: Dr Mihaly Bugan (Szolnok 12); 81.3 percent: Zoltan Kiraly (Csongrad 5); 80.5 percent: Laszlo Gyuricza (Veszprem 5).

21. Barcs: NSZ, No 151, of 29 Jun 85, p 2 and Horvath (footnote 11), p 5.

22. Baranya 7, Csongrad 5, Gyor-Sopron 10, Hajdu-Bihar 9, Hajdu-Bihar 13.

23. NZZ, 24 Apr 85, p 2; NZZ, 25 Apr 85,. See also Steven Koppany in RFE-RL: Hungarian Situation Report, No. 6 of 16 May 85, pp 13-15, RAD Background Report (Hungary), No. 51 of 5 Jun 85, pp 8-9, RFE-RL: Hungarian Situation Report, No. 9 of 7 Aug 85, pp 15-23.

24. DEUTSCHE TAGESPOST, KATHOLISCHE ZEITUNG FUER DEUTSCHLAND, 14/15 Jun 85.

25. NSZ, No. 146 of 24 Jun 85, p 1.

26. NSZ, No. 151 of 29 Jun 85, pp 1-4.--Also parliamentary resolutions 1-7/1985, in: MK, No. 28 of 11 Jun 85, pp 669-684.

27. NSZ, No. 151 of 29 Jun 85, p 21.

28. NSZ, No. 149 of 27 Jun 85, p 1.

29. Rozsa (footnote 8).

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PZPR MEETINGS, ACTIVITIES REPORTED

Suggestions, Complaints Commissions

Warsaw ZYCIE WARSZAWY in Polish 12 Nov 85 p 2

[PAP report edited by (sl) under 'Yesterday in the Nation' rubric]

[Text] The implementation of the tasks ensuing from the resolution of the Ninth PZPR Central Committee Plenum by the province party organizations in Lublin, Szczecin, Tarnobrzeg and Wroclaw was a major topic of discussion at the Commission for Suggestions, Complaints and Signals from the Population under the PZPR Central Committee.

During the discussion, chaired by the commission's chairman Albin Siwak, member of the Politburo of the PZPR Central Committee, mention was made of the effectiveness of the party's actions in resolving problems with which citizens turn to PZPR echelons. As commission members pointed out, the implementation of the aforementioned resolution, particularly in the context of the recent elections to the Sejm, was and is contributing to strengthening the society's trust in the party. The Central Committee received several hundred letters concerning the elections. The suggestions they contain were reflected in the pre-election campaign. Such letters have also been received by the province echelons.

A report on the letters received by the Central Committee this year was presented by Director of the Office for Letters and Inspections under the PZPR Central Committee Marian Kot. During the first 3 quarters of this year more than 43,000 letters were received and nearly 5,000 citizens presented themselves in person. Compared with a like period last year, these figures are higher.

Law, Order Commission

Warsaw ZYCIE WARSZAWY in Polish 12 Nov 85 p 2

[PAP report edited by (sl) under 'Yesterday in the Nation' rubric]

[Text] The Commission for Law and Order under the PZPR Central Committee evaluated at a session in Warsaw the sociopolitical situation within the lawyer community. The deliberations were chaired by the commission's vice chairman Deputy Minister for Internal Affairs Lucjan Czubinski.

In the recent past, it was emphasized, negative and disturbing phenomena used to occur within the lawyer community. Certain representatives of the bar displayed attitudes hostile toward the socialist state. The lawyer community has begun to display tendencies toward self-isolation and restriction of access to the profession. A symptom of this unhealthy situation was the commencement of 74 disciplinary proceedings against lawyers during the first half of 1985. They concerned chiefly (54 cases) incomplete fulfillment of professional obligations.

The new decree regulating the bar that was passed in 1982 constituted -- it was stressed in the discussion -- an expression of political, professional and moral trust in the lawyer community. At present, it was stated, the situation is slowly but tangibly improving.

Bloc Journalists Discuss Plenum Topics

Warsaw ZYCIE WARSZAWY in Polish 13 Nov 85 p 2

["Topics of 22nd PZPR Central Committee Plenum Subject of Press Conference in Warsaw" -- PAP report]

[Text] The course and topics of the 22nd PZPR Central Committee Plenum were the subject of a press conference for domestic and foreign journalists held in Warsaw on 12 [Nov 85].

Concerning the topics of the party plenum, which ended on 11 [Nov 85], Jerzy Majka offered the reminder that this plenum represented a continuation of the principal topic of the 19th PZPR Central Committee Plenum, namely, the role and tasks of the intelligentsia in this country's socialist development. The 19th Plenum had at the time authorized the Commission for Resolutions and Recommendations to draft, during the period preceding the current plenum, an elaborate -- and also based on the opinions of artistic, scientific and academic-educational communities -- program for implementing the Central Committee resolution on the role and tasks of the intelligentsia in work for this country. This innovative solution enriches the collegial work of the Central Committee and contributes to strengthening its programming role.

The speaker devoted considerable attention to the resolution of the 22nd Plenum, pointing out that it emphasizes the importance of the alliance between the working class and peasantry and the intelligentsia as well as the need for a more effective utilization of the creative endeavors of all intelligentsia milieux in the nationwide cause of strengthening the socialist fatherland.

J. Majka also answered questions from journalists.

Warsaw PZPR Committee Plenum

Warsaw TRYBUNA LUDU in Polish 15 Nov 85 pp 1,5

["Warsaw PZPR Committee Plenum"; subtitled "With the Participation of Wojciech Jaruzelski" and "Janusz Kubasiewicz Becomes First Province Committee Secretary" -- PAP report; passages within slantlines printed in boldface]

[Text] /Organizational matters were on 14 [Nov 85] the subject of a plenary session of the Warsaw PZPR Committee, attended by First Secretary of the PZPR Central Committee Wojciech Jaruzelski./

In connection with his becoming a secretary of the PZPR Central Committee, Marian Wozniak requested the plenum to relieve him from membership in the Warsaw PZPR Committee as well as from the duties he until then exercised as first secretary of the latter committee.

/On behalf of the Politburo of the PZPR Central Committee, first secretary of the party Central Committee recommended Janusz Kubasiewicz, heretofore director of the Socio-Legal Department under the PZPR Central Committee, for the post of first secretary of the Warsaw PZPR Committee./

/J. Kubasiewicz was elected to that post by secret balloting during the plenum of the Warsaw PZPR Committee./

/Toward the end of the deliberations W. Jaruzelski again took the floor and discussed the next tasks of party activity during the period preceding the 10th PZPR Congress, and especially the directions of action of the Warsaw party organization./

The session was attended by: Member of the Politburo of the PZPR Central Committee Albin Siwak, Candidate Member of the Politburo and Secretary of the PZPR Central Committee Wlodzimierz Mokrzyszczak, and Director of the Cadre Policy Department under the PZPR Central Committee Wladyslaw Honkisz.

Following the plenary session of the Warsaw PZPR Committee Marian Wozniak commented as follows in a talk with journalists:

"I find it difficult to part with the Warsaw party organization, but as a Sejm deputy and member of the Warsaw Club of Sejm Deputies, I'll after all retain my ties to the capital city and work for it. This is an opportunity to assess what we have accomplished jointly with the Warsaw party aktiv. Much has been done to promote the consolidation of party ranks in the ideological sphere as well. Even so, many important tasks face the Warsaw party organization."

/Janusz Kubasiewicz stressed that he viewed his role as: "Primarily that of effectively coordinating the activities of elements of our organization. The tasks are many and hence their proper prioritization is important. My operating principle is that of being among the people as often as possible. These encounters provide me with inspiration for my work."/

Army Committees Meet

Warsaw TRYBUNA LUDU in Polish 15 Nov 85 p 2

["Conference of First Secretaries of Party Committees in the Army" -- PAP]

[Text] On 14 [Nov 85] in Warsaw was held a conference of first secretaries of the party committees of military districts, the armed services and military academies. The participants presented recommendations for further improving the quality and effectiveness of the party's work in the armed forces. Directions and tasks of party work in the army ensuing from preparations for the 10th PZPR Congress were discussed. The conference was attended by General of Arms Jozef Baryla, chief of the Main Political Directorate of the Polish Army and deputy minister of national defense.

Bloc Party Conference on Public Opinion

Warsaw TRYBUNA LUDU in Polish 16-17 Nov 85 p 6

["Public Opinion Under Socialism: International Party Conference" -- PAP report; passages within slantlines printed in boldface]

[Text] /In Mierki near Olsztyn was held a scientific conference on public opinion under socialism, organized by the Academy of Social Sciences and the Information Department of the PZPR Central Committee. It was attended by scientists from the USSR. Bulgaria, the GDR, Czechoslovakia, Hungary, Cuba and Poland as well as by practitioners-activists from the public opinion research centers of party echelons./

/The 3-day conference represented a confrontation of views of eminent representatives of science engaging in surveys of public opinion in a functioning socialist society./ This symposium was intended to derive general theories from the experience of recent years in this socially important domain, exchange views with fraternal communist parties on ways and means of conducting ideological-political work and counteract hostile propaganda as well as continually improve the techniques of public opinion research.

/Public opinion research is intended to determine integrally the state of political awareness of the society, and it provides source material for determining the trends and tendencies composing the picture of the political awareness of nations. This avenue of approach makes it possible to raise to a qualitatively higher level the bonds between the party's political practice and the theory of Marxism-Leninism./

It was emphasized that the unremitting concern for maintaining a high level of activism of the masses is a precondition for socialist people's rule, and it also offers the possibility of perfecting the institutions of socialist democracy. From the principles of communist ideology ensues the duty of obtaining the opinion of the masses and gaining their support for particular political decisions. Hence, public opinion surveys serve to diagnose and prognosticate the political situation much more precisely. All this is a significant step forward on the road toward releasing the potential latent in the working people of the socialist society. The significance of this problem is emphasized by the draft "Program of the Communist Party of the Soviet Union," in which we read: /"A successful accomplishment of the tasks outlined is linked by the party to enhancing the role of the human element. A socialist society cannot function effectively unless it explores new roads for the development of the creative activity of the masses in all domains of social life. The greater the scale of the historic goals, the more important is a proprietary-minded, committed, responsible, conscious and active participation of the millions in achieving them./ The tasks presented are particularly important from not only the practical-political and theoretical-research aspects but also from the social-ethical aspect. They reflect the need to intensify the intellectual and organizational efforts of the parties and their research centers. This precisely should point to the need for the integration and cooperation of the fraternal communist and worker parties.

The need to develop cooperation and intensify the efforts of the parties in this respect was pointed out in the papers presented by: Professor A. K. Yuledov, chairperson of the Department of Social Psychology at the Academy of Social Sciences under the CPSU Central Committee; J. Kopel, deputy director of the Information Department under the PZPR Central Committee; Docent S. Kusmierski, director of the Institute of Social Psychology and the Theory of Propaganda, Academy of Social Sciences under the PZPR Central Committee; and Docent S. Kwiatkowski, director of the Public Opinion Research Center.

This international symposium commenced with a meeting between Candidate Member of the Politburo and Secretary of the PZPR Central Committee Jan Glowczyk and the foreign guests. The conference itself was inaugurated by Jerzy Majka, editor-in-chief of TRYBUNA LUDU.

The symposium participants worked in four problem sections: The Party's Role in Shaping Public Opinion; Tasks of the Ideological Front in Counteracting Internal and External Diversionary Propaganda; The Mass Media and their Opinion-Shaping Role; and Methodological Experience of Socialist Public Opinion Research Centers.

University Meetings on Student Activism

Warsaw TRYBUNA LUDU in Polish 18 Nov 85 p 2

["Conference of Secretaries of Higher-School PZPR Committees" -- PAP report]

[Excerpt] On 15-16 [Nov 85] was held in Warsaw a conference of the secretaries of PZPR higher-school committees dealing with problems of work with students. The conference was organized by the Department of Science and Education under the PZPR Central Committee and the Youth Department under the PZPR Central Committee.

The tasks of higher-school party organizations in the student community were discussed, the educational activity so far in higher schools was critically appraised, and attention was drawn to the need for greater activism in this field by all academic instructors and higher-education administrators. The nature, forms and methods of party work with students werre discussed and the related experience in discrete higher academic institutions was exchanged.

The conference was chaired by Professor Bronislaw Ratus, director of the Department of Science and Education under the PZPR Central Committee. It was attended by the Director of the Youth Department under the Central Committee Leszek Miller.

Provincial Secretaries on Cultural Policies

Warsaw TRYBUNA LUDU in Polish 19 Nov p 2

["Party Policy on Culture: Conference of PZPR Province Committee Secretaries" -- PAP report]

[Text] /On 18 [Nov 85] was held at the PZPR Central Committee a conference of the province party committee secretaries responsible for cultural matters. The meeting was devoted to discussing problems relating to the policies and activities of the party in the cultural field, the sociopolitical situation of the artistic community and the intentions of the Culture Department under the Central Committee for the immediate future and in the course of work prior to the 10th PZPR Congress/ [emphasized].

The discussion was inaugurated by an address delivered by the Director of the Culture Department under the Central Committee Witold Nawrocki concerning the current tasks in implementing the party's cultural policy. He stressed the tangible improvement in the sociopolitical situation of culture and the growth of the party's activism within the artistic community, and he presented the text of the resolution adopted at the last PZPR Central Committee plenum concerning the implementation of the recommendations of the 19th plenary session of the PZPR Central Committee. The chair, Central Committee Secretary Waldemar Swirgon, focused his attention on evaluating the current sociopolitical situation in the cultural community following the success-crowned elections to the Sejm. He also presented the principal tasks facing the party echelons as regards culture.

Wroclaw Committee Plenum

Warsaw TRYBUNA LUDU in Polish 21 Nov 85 pp 1,2

[[Article by Czeslaw Kubasik: "The Recommendations Cannot Be Disregarded: Wroclaw Province PZPR Committee Plenum"; passages within slantlines published in boldface]

[Excerpts] /(Own information) At the plenary session of the Wroclaw Province PZPR Committee held on 20 [Nov 85] the campaign for elections to PRL Sejm was evaluated. On this basis, further directions of activity of the province party echelon in strengthening socialist democracy and the leading role of the party as well as in stabilizing sociopolitical and economic life were outlined./

Both the report of the executive board and the discussion evaluated highly the participation of the party aktiv in the electoral campaign. Party ranks were further consolidated and the authority and membership of the PZPR have grown, with the new members being chiefly young representatives of the working class.

/Referring to the preparations for the 10th Party Congress and the prior reports-election party campaign, Deputy Director of the Central Wroclaw TV Studio Stanislaw Wolny declared that the good experience gained during the last campaign should be exploited to avoid routinism and schematism in the mass media./

The members of the plenum also were briefed on the activities of the following commissions under the PZPR Province Committee: Agriculture and Food Management as well as Sociopolitical Policy and the Reform.

The plenary session was chaired by First Secretary of the PZPR Province Committee Zdzislaw Balicki.

Warsaw Executive Committee Meeting

Warsaw TRYBUNA LUDU in Polish 22 Nov 85 p 5

[Unattributed report: "From the Work of the Executive Board of the PZPR Province Committee"]

[Text] On 21 [Nov 85] was held a circuit session of the Executive Board of the Warsaw PZPR Committee. Fifteen teams met with the party aktivs of borough committees and Regional Centers of Party Work. Work intended to further strengthen the party and its basic elements and echelons was jointly evaluated.

The visits by party echelons was intended to improve the drafting of the documents that will be considered at the plenary session of the Warsaw PZPR Committee on 6 December of this year.

The work of the Executive Board was directed by First Province Committee Secretary Janusz Kubasiewicz.

Military Leadership on Ideology

Warsaw ZYCIE WARSZAWY in Polish 23-24 Nov 85 p 2

[PAP report under the rubric 'Yesterday in the Nation']

[Text] In Warsaw was held a conference on ideology and theory attended by the higher command of the armed forces of the PRL. Main directions of the nation's economic development and basic aspects of the international situation and the ensuing ideological-upbringing and political tasks were presented by the candidate members of the Politburo: Central Committee Secretary Wlodzimierz Mokrzyszczak and Minister of Foreign Affairs Marian Orzechowski, and also by PZPR Central Committee Secretary Waldemar Swirgon.

The conference participants also were briefed on the country's internal situation, the state's security problems and the government's intentions regarding cultural policy.

The conference was attended by General of the Army Florian Sliwicki, candidate member of the Politburo of the PZPR Central Committee and minister of national defense.

Jaruzelski Meets Party Union Directors

Warsaw TRYBUNA LUDU in Polish 25 Nov 85 p 1

[Unattributed report: "First Central Committee Secretary Met With the Heads of the Trade Union of PZPR Employees"; passages within slantlines published in boldface]

[Text] /First PZPR Central Committee Secretary Wojciech Jaruzelski met on 23 [Nov 85] with Chairman of the Trade Union of Party Employees Wojciech Wisniewski and other heads of the union. The meeting was also attended by representatives of plant trade union boards from the major province committees./

/The representatives of the union representing party employees described the activities of their organization./ They stressed that the work and initiatives of their organization promote the activism and commitment of its membership to service to the party and the society. Also discussed were questions of advancing professional and occupational skills, shaping exemplary moral-political attitudes and interpersonal relations and strengthening the bonds with the party masses, as well the working and living conditions of party employees.

/First PZPR Central Committee Secretary shed light on the tasks of the party and its political apparatus on the eve of the 10th PZPR Congress. He emphasized at the same time the well-disposed attitude of the party leadership to the trade-union elements and wished them fruitful work./

The meeting was also attended by the Central Committee secretaries Marian Wozniak and Wlodzimierz Mokrzyszczak.

Socio-Political Book Committee

Warsaw RZECZPOSPOLITA in Polish 26 Nov 85 p 2

[Unattributed report under "Party Activities" rubric: "Session of the Council for Socio-Political Books"]

[Text] /(C) On 25 [Nov 85] was held in Warsaw a regular meeting of the Council for Socio-Political Books under the PZPR Central Committee/ [emphasized]. This time the meeting was intended to review the editorial experience and accomplishments during the years 1982-1985 and the publishing plans of state and cooperative publishing houses for the period until 1990 as regards implementing the program for historical education, with special consideration of publications dealing with recent history.

The session was attended by, among others: the council's chairman PZPR Central Committee Secretary Henryk Bednarski and the Director of the Ideology Department under the PZPR Central Committee Wladyslaw Loranc.

Cultural Commission

Warsaw RZECZPOSPOLITA in Polish 26 Nov 85 p 2

[Unattributed report under'Party Activities' rubric: "Deliberations of Cultural Commission"]

[Text] /(C) On 25 [Nov 85] the Culture Commission under the PZPR Central Committee discussed the status and problems of mass and stage entertainment/ [emphasized]. Polish entertainment was evaluated and the main directions of planned legal-organizational reforms in this respect were disscussed.

The deliberations were chaired by PZPR Central Committee Secretary Waldemar Swirgon.

Provincial Committees Meet

Warsaw RZECZPOSPOLITA in Polish 26 Nov 85 p 2

[Unattributed report under 'Party Activities' rubric: PZPR Province Committee Plenums"; passages within slantlines printed in boldface]

[Text] In Szczecin:

/(C) The tasks of party members and organizations in implementing the resolution of the 20th PZPR Central Committee Plenum and the systematic development of the party were the topics of the province committee plenum held in Szczecin on 25 [Nov 85]./

Candidate Member of the Politburo and Secretary of the PZPR Central Committee Wlodzimierz Mokrzyszczak took part in the deliberations.

In Suwalki:

/(C) The status and development directions of the agricultural and food industry in Suwalki Province were on 25 [Nov 85] the subjects of a plenary session of the Suwalki Province PZPR Committee./

In Olsztyn:

/(C) The directions of strengthening the province party organization were the subject of a plenary session of the Olsztyn Province PZPR Committee held on 25 [Nov 85]./

'Working Class Culture' Conference

Warsaw RZECZPOSPOLITA in Polish 26 Nov 85 p 2

[Unattributed report under 'Conferences' rubric: "Working Class Culture"]

[Text] /(C) As part of a series of conferences on the topic of working class culture in Poland, organized on the initiative and under the auspices of the Culture Department of the PZPR Central Committee, an all-Polish symposium on problems of the cultural activism of workers at the workplace and in the community was held on 25 [Nov 85] at the H. CEGIELSKI Metal Industry Works in Poznan/ [emphasized].

The opening of the conference was attended by: Member of the PZPR Central Committee Politburo Wladyslaw Kalkus and Director of the Culture Department under the PZPR Central Committee Professor Witold Nawrocki.

CC Plenum on Fair Academic Admissions

Warsaw TRYBUNA LUDU in Polish 26 Nov 85 p 3

[Article by Wieslaw Jasinski: "For an Equitable Access to Studies: Following the 16th PZPR Central Committee Plenum"; passages within slantlines published in boldface]

[Text] /One important topic of discussions prior to the plenary session of the PZPR Central Committee on national education is the question of assuring a genuine rather than formal-legal access to higher studies for worker and peasant youth./

Despite the guaranteed equal chances for applicants demonstrating appropriate predispositions regardless of class origin, /the share of worker and peasant youth in student enrollment does not meet the aspirations of these classes as well as of the political and state authorities./ Hence -- quite unanimously -- various attempts have been made to develop concepts of assistance for applicants who, through no fault of their own, show themselves to be relatively less prepared for entrance examinations.

Beginning with the current academic year, the principles of admission to higher studies are changed. Administratively applied credit-point social preferences are being systematically abandoned and replaced with more effective methods for equalizing the level of preparation for studies by applicants from worker and peasant families as well as from culturally and materially deprived milieux.

Variant proposals on this matter were presented following the 16th PZPR Central Committee Plenum for broad public consultation in 1984. At 700 work establishments these proposals were discussed. Some 15,000 written responses were received. Thus this was an extremely broad and representative consultation.

/A majority of the respondents demanded the abandonment of credit-point preferences and their replacement with forms of genuine assistance for applicants for higher studies. By this they meant a system of preparatory courses, the introduction of a "zero-credit" semester of an equalizing nature, the participation of university instructors in guided self-study organized by secondary schools and the creation of a longrange program for raising the level of instruction in elementary and secondary schools./

/This public consultation essentially afforded a chance for discussion of the status of national education. The respondents drew attention to the unjustified differentiation of the level of instruction and upbringing at schools of various types and in various regions, the low level of performance of a majority of rural schools, the inadequate quality of performance of many teachers, the huge shortages of school personnel and equipment and the weak and deteriorating school plant. Many party echelons drew attention to the need for work establishments to provide greater assistance to schools./

The course of this public consultation demonstrated that the traditional system of credit-point preferences based on class origin has not gained social approbation. At the same time the inequalities and excessive differentiation among particular schools and regions in training youth for higher studies are acutely felt. Thus in general the respondents, while stressing the role of the entrance examinations, favored the need to equalize the starting conditions rather than provide special privileges for some applicants.

Noteworthy is the position of the Main Council for Science and Education on this issue:

/"The Main Council recognizes fully the principle of a socially equitable conduct of recruitment construed as a positive selection of the cadre of the national intelligentsia. The Main Council believes that all inequalities existing at the moment of commencement of higher studies but not due to the fault of the applicant himself -- such as, e.g., a weaker level of preparation by the secondary school or a lower intellectual level of the applicant's family -- should be compensated through methods for complementing secondary education."/

The results of the aforementioned public consultation as well as the opinions of socialist youth unions, the Union of Polish Teachers and many party echelons at all levels all point to the need to draft a longrange program assuring a stable influx of youth from worker and peasant families to higher schools, as well as to the need for a detailed analysis of the sources and consequences of the social composition of students.

On considering the results of the public consultation, the educational authorities and the ministries supervising higher schools were placed under the obligation of drafting a longrange program of action intended to increase the enrollment of students of worker and peasant origin. This program is to be published in the press during the last quarter of this year.

/Attempts have been undertaken to elevate the level of instruction in elementary and secondary schools, particularly those in small towns and rural communities. A set of measures to improve the system of extracurricular activities for senior-class students in these schools has been worked out. Attempts -- not yet fully successful -- have been commenced to identify the most gifted youth in secondary schools and provide proper educational and instructional care for it. Access to higher studies has been facilitated by organizing state-financed preparatory courses for students preferred owing to social considerations who are competent, derive from poor families and are active in youth organizations. A concept of a special type of courses is being developed for exceptionally gifted workers and peasants with a basic vocational schooling background who would thus be enabled -- through the acquisition of externist certificates of completion of secondary education-- to prepare themselves for starting higher studies./

All these measures have resulted in enhancing the interest of worker and peasant youth in higher studies. Of the more than 110,000 applicants who took entrance examinations this year, worker and peasant youth accounted for 38.5 percent compared with 33.8 percent last year. What is more important, however, worker and peasant youth accounted for 42.1 percent of the applicants who passed the entrance examinations. This demonstrates that this year it was better prepared for taking the entrance examinations for higher studies.

/An important role was played by the preparatory courses organized by higher educational institutions since June 1983. This year the school boards assigned to these courses altogether 18,500 candidates and on the average 70 to 80 percent actually attended. Of these, youth of worker and peasant origin accounted for about 85 percent. A considerable part of that youth was enabled by these preparatory courses to pass the entrance examinations and begin higher studies. Many party echelons are emphasizing a careful preparation of lessons, good organizational conditions and the interest and discipline of youth./

/But many desiderata for improving the organization of these courses also are being voiced. The need for a definite improvement in the procedure for the qualification of applicants by the school boards is being pointed out, primarily as regards commencing the qualification of candidates several months in advance. It is also necessary to provide secondary schools with regular information on areas and principles of study. Such information reaches the applicants too tardily./

The system of preparatory courses has passed the test and should be refined so that it may perform its purpose better and better. These courses should also assist the applicants to adapt themselves to working and living conditions in institutions of higher education and prepare them for active participation in the socio-political life of the student body.

The preparatory courses represent a major contribution of the academic community to refining the system of recruitment for higher studies, so that the examination sieve-screen would not overlook "diamonds."

The implementation of the first stage of modifying the system of recruitment for higher studies, based on a gradual abandonment of credit-point preferences, has not resulted in a decrease in the number of applicants but on the contrary it increased interest in higher education. For the first time, credit-point preferences were abandoned with respect to a majority of the engineering, economic and exact-science areas of study. This year the number of these areas will be increased. In the areas of study for which there is a substantial surplus of applicants the competitive principle will be maintained, meaning that those achieving the best scores on the entrance examination will be admitted.

/Thus, the adoption of the recommendations of the 16th PZPR Central Committee Plenum on this issue has already led to a number of positive changes in the system of admissions to higher studies as well as in the performance of the educational system, but this still does not mean that all the problems of an equitable access to higher educational institutions have been solved.

Cadre Policy Commission Hosts Conference

Warsaw RZECZPOSPOLITA in Polish 27 Nov 85 p 2

[Unattributed report under 'Chronicle' rubric: "Improving the Performance of the Managerial Cadre"]

[Text] /On 26 [Nov 85] in Jachranka near Warsaw was inaugurated a 2-day methodological conference on plant systems of work with the managerial cadre, sponsored by the Cadre Policy Department under the PZPR Central Committee, the Ministry of Metallurgy and Machine Industry and the Ministry of Chemical and Light Industry/ [emphasized].

The purpose of this conference is to assess the accomplishments so far of enterprises and exchange of experience in systemic work with the managerial cadre which could be, after suitable adaptation, utilized in the operating practice of specific enterprises. Those taking part in the deliberations, chaired by Director of the Cadre Policy Department under the PZPR Committee Wladyslaw Honkisz, included: Minister of Chemical and Light Industry Edward Grzywa, First Deputy Minister of Metallurgy and Machine Industry Stanislaw Stanczykiewicz, and Deputy Chief Inspector of Equipment, Polish Army, Division General Wladyslaw Szymlowski.

Health, Environment Commission Meets

Warsaw ZYCIE WARSZAWY in Polish 28 Nov 85 p 2

[Unattributed and untitled report under 'Yesterday in the Nation' rubric]

[Text] In Katowice began a 2-day circuit session of the Commission for Protecting Public Health and Natural Environment under the PZPR Central Committee. The meeting dealt with the topic of evaluating the state of natural environment in Katowice Province in the context of the situation in the country as a whole and the measures being taken to improve it. On the first day the commission members toured 10 of the region's industrial plants.

Party Activities Calendar 28 Oct-10 Nov 85

Warsaw ZYCIE PARTII in Polish 4 Dec 85 p 21

[Unattributed report: "Party Chronicle, 28 Oct--10 Nov 85"]

[Text] 22nd PZPR Central Committee Plenum:

5 November

The first part of the 22nd plenary session of the PZPR Central Committee was held. The agenda included:

-- Politburo report on the participation of the PZPR in the campaign for elections to the Ninth Session of the PRL Sejm, presented by Politburo members and Central Committee Secretary Tadeusz Porebski;

-- plenary discussion;

-- adoption of a resolution.

The deliberations were chaired by First Central Commitee Secretary Wojciech Jaruzelski, who also delivered the concluding address.

The second part of the 22nd Central Committee Plenum will be held on 11 Nov of this year.

Session of the Central Commission for PZPR-ZSL-SD Cooperation:

4 November

-- A session of the Central Commission for PZPR-ZSL-SD Cooperation was held [ZSL -- United Peasant Party; SD -- Democratic Party]. The PZPR side was represented by: Wojciech Jaruzelski, Kazimierz Barcikowski, Jozef Czyrek, Zbigniew Messner, Tadeusz Porebski and Wlodzimierz Mokrzyszczak.

-- At the session agreements were reached on matters relating to the commencement of the activities of the Ninth Session of the Sejm.

Joint Deliberations of the Central Copmmission for PZPR-ZSL-SD Cooperation and the Presidium of the Executive Committee of the PRON [Patriotic Movement for National Rebirth] National Council [KW RK PRON]:

4 November

-- The seat of the PRON National Council was the site of a joint session of the Central Commission for PZPR-ZSL-SD Cooperation and the Presidium of the KW RK PRON. On behalf of the PZPR the following participated in the deliberations: Wojciech Jaruzelski, Kazimierz Barcikowski, Tadeusz Porebski and Wlodzimierz Mokrzyszczak.

Sessions of the Politburo of the Central Committee:

29 October

The Politburo:

-- discussed the nation's socioeconomic situation and assessed the state of preparations of the fuel-energy economy for the 1985/1986 fall-winter peak demand;

-- considered the report on the course and results of the conference of the Consultative Political Committee of Member Countries of the Warsaw Treaty, held on 22-23 October of this year in Sofia;

-- accepted materials for the 22nd Central Committee Plenum and fixed the date of its convocation at 5 November.

Conferences and Meetings:

28 October:

-- First Central Committee Secretary Wojciech Jaruzelski received Roland Leroy, a member of the Politburo of the Central Committee of the French Communist Party and editor-in-chief of L'HUMANITE, sojourning in Poland at the invitation of TRYBUNA LUDU. Politburo Member and Central Committee Secretary Jozef Czyrek took part in the conversation.

-- The seat of the Central Committee was the site of a conference of directors of the departments of intraparty management at PZPR province committees, on the topic of the implementation of financial and management tasks within the party. The conference was chaired by Candidate Member of the Politburo and Central Committee Secretary Wlodzimierz Mokrzyszczak, and it was attended by Chairman of the Central Audit Commission [CKR] Kazimierz Morawski.

30 October:

-- First Central Committee Secretary and Chairman of the Council of Ministers Wojciech Jaruzelski met with the Chairman fo the Council of Ministers of the Socialist Republic of Romania Constantin Dascalescu, who arrived in Warsaw on a working visit.

-- The participants in the conversation were: Deputy Prime Minister Zbigniew Messner and SRR Deputy Prime Minister Gheorghe Petrescu. Present was the Romanian Ambassador Ion Tesu.

-- The Presidium of the CKKP [Central Party Control Commission] was in session. The participation so far of control commissions in implementing the "Main Assumptions of PZPR Cadre Policy" was assessed. The presidium also familiarized itself with the performance of the CKKP judicial teams during the first 3 quarters of this year. The deliberations were chaired by CKKP Chairperson Jerzy Urbanski.

31 October:

-- First Central Committee Secretary Wojciech Jaruzelski received the Secretary of the Central Committee of the Hungarian Socialist Worker Party Janos Berecz during his sojourn in Poland. Candidate Member of the Politburo and Secretary of the Central Committee Jan Glowczyk took part in the conversation. The Ambassador of the Hungarian People's Republic Gyorgy Biczo was present.

4 November:

--The Commission for Representative Bodies and Self-Government under the PZPR Central Committee familiarized itself with the report of the Central Committee's Bureau for Sejm Affairs on the preparations for the first meeting of the Ninth Session of the Sejm and on certain aspects of the activities of the Club of PZPR Deputies. The commission also familiarized itself with a report on the course and results of elections to the Sejm. Its deliberations were chaired by Wladyslaw Jonkisz.

-- On the occasion of the 80th birthday of merited worker movement activist Henryk Szafranski the honored jubilee celebrant was visited by Politburo Member and Central Committee Secretary Kazimierz Barcikowski, who handed him a congratulatory letter along with cordial greetings from First Central Committee Secretary Wojciech Jaruzelski.

-- The meeting with the jubilee celebrant was attended by Wladyslaw Honkisz, chairman of the Central Committee team for merited worker movement activists.

-- Chairpersons of the delegations of journalist organizations from the socialist countries sojourning in Poland at a consultative conference were received by Candidate Member of the Politburo and Central Committee Secretary Jan Glowczyk. The meeting was attended by Director of the Press, Radio and Television Department under the Central Committee Bogdan Jachacz.

6 November

-- Central Committee Secretary Henryk Bednarski met with a delegation from the Central Board of the Soviet-Polish Friendship Society headed by Secretary of the Georgian CP Central Committee Guram Yenukidze. The delegation arrived at the invitation of the Main Board of the Polish-Soviet Friendship Society in connection with the celebrations of the 68th anniversary of the victory of the Great October Socialist Revolution.

7 November

-- The apex of the celebrations of the 68th anniversary of the October Revolution was the festive concert at the Palace of Culture and Art in Warsaw. Present were the members of the Politburo and Secretariat of the Central Committee: Kazimierz Barcikowski, Jozef Czyrek, Stefan Olszowski, Tadeusz Porebski, Alwin Siwak, Marian Wozniak, Jan Glowczyk, Czeslaw Kiszczak, Wlodzimierz Mokrzyszczak, Florian Siwicki, Henryk Bednarski, Zbigniew Michalek, and Waldemar Swirgon. Also present were CKR Chairman Kazimierz

Morawski and CKKP Chairman Jerzy Urbanski. The festivity was attended by USSR Ambassador Aleksandr Aksyonov. Addresses were delivered by Candidate Member of the Politburo and Secretary of the Central Committee Jan Glowczyk and USSR Ambassador Aleksandr Aksyonov.

8 November

-- At the Nowy Swiat International Press and Book Club the exhibition "The Soviet Union Prior to the 17th CPSU Congress" was opened. Central Committee Secretary Waldemar Swirgon attended the opening. USSR Ambassador Aleksandr Aksyonov was present.

9-10 November

-- The 14th National Congress of the Polish Economic Society was held in Katowice. Its deliberations were attended by Prime Minister Zbigniew Messner and Candidate Member of the Politburo and Secretary of the Central Committee Jan Glowczyk.
At Party Echelons and Organizations:

28 October

-- In Krakow was held the funeral of the eminent writer and public activist Tadeusz Holuj. The funeral ceremonies were attended by, among others, Politburo Member Hieronim Kubiak, Central Committee Secretary Waldemar Swirgon, Deputy Prime Minister Mieczyslaw F. Rakowski and First Secretary of the Krakow PZPR Committee Jozef Gajewicz.

30 October

-- The Opole Province PZPR Committee discussed the role of socialist culture in the social development of the Opole region. The deliberations were attended by Director of the Culture Department under the Central Committee Witold Nawrocki.

-- The Tarnobrzeg Province PZPR Committee outlined tasks for party echelons and organizations as regards refining cadre policy.

6 November

-- The Nowy Sacz Province PZPR Committee discussed the functioning of agricultural service organizations and carried out a political assessment of the elections to the Sejm in the province. The deliberations were attended by Central Committee Secretary Zbigniew Michalek.

7 November

-- The Gdansk Province PZPR Committee evaluated the course of elections to the Sejm in the province and outlined directions of action for party echelons and organizations in the immediate future. The deliberations were chaired by Candidate Member of the Politburo and First Secretary of the Gdansk Provice

PZPR Committee Stanislaw Bejger and attended by Director of the Science and Education Department under the Central Committee Bronislaw Ratus.

-- Candidate Member of the Politburo and Secretary of the Central Committee Wlodzimierz Mokrzyszczak took part at a festive meeting of a 300-member grup of war veterans and worker movement activists in Kielce Province.

Interparty Cooperation:

24-26 October

-- Poland was visited by a delegation of the Central Committee of the SEPD [Socialist Unity Party of Germany] headed by Director of the Agricultural Department of the SEPD Central Committee Helmut Semmelmann. At a meeting with Director of the Agriculture Department of the PZPR Central Committee the status of cooperation in agricultural policies was assessed and their directions for 1986 were agreed upon.

28 October

-- Central Committee Secretary Zbigniew Michalek received a delegation of the Central Committee of the Hungarian Socialist Worker Party headed by Deputy Director of the Agricultural Policy Department Jure Kovacs, during its sojourn its Poland. The meeting was attended by Director of the Agriculture Department of the Central Committee Stefan Zawodzinski.

20-31 October

-- Poland was toured by a delegation of the Central Committee of the Hungarian Socialist Worker Party headed by Central Committee Secretary Janos Berecz. The delegation held talks with the members of the Politburo and Central Committee Secretariat Jozef Czyrek, Jan Glowczyk and Marian Orzechowski, as well as with Deputy Prime Ministter Mieczyslaw F. Rakowski and the directors of the following Central Committee departments: Ideology; Press, Radio and Television; and Information.

-- As part of the cooperation between the PZPR and the CPSU a group of CPSU Central Committee lecturers sojourned in recent days in Poland. The appearances by Soviet lecturers in various socio-occupational communities in six provinces dealt with actual tasks of party work and the preparations for the 27th CPSU Congress. The group of lecturers was received by Director of the Ideology Department under the Central Committee Wladyslaw Loranc.

31 October

-- Candidate Member of the Politburo and Minister of Internal Affairs General of Arms Czeslaw Kiszczak was received at the Prague Castle by Secretary General of the Czechoslovak CP President of the CSSR Gustav Husak. G. Husak decorated Cz. Kiszczak with the Order of Friendship for his achievements in promoting friendship and cooperation between Poland and Czechoslovakia.

-- Concluding their sojourn in Poland, war-veteran writers from the USSR met at the seat of the Central Committee with Director of the Culture Department under the Central Committee Witold Nawrocki.

27 October-2 November

-- A delegation of the PZPR Central Committee headed by Director of the Socio-Occupational Department under the Central Committee Stanislaw Gabrielski visited Portugal. The delegation of the PZPR Central Committee was received by Secretary General of the Portuguese CP Central Committee Alvaro Cunhal, and it held talks with Politburo Member and Central Committee Secretary Carlos Costa and Director of the Foreign Department of the Central Committee of the Portuguese CP Albano Nunes.

6-8 November

-- Poland was visited by a delegation of the SEPD Central Committee headed by Central Committee Member and Director of the Construction Department under the SEPD Central Committee Gerhard Troelitzsch. The delegation was received by Candidate Member of the Politburo and Secretary of the PZPR Central Committee Jan Glowczyk. The GDR Ambassador Horst Neubauer was present.

Party Activities Calendar 11-24 Nov 85

Warsaw ZYCIE PARTII in Polish 4 Dec 85 p 21

[Unattributed report: "Party Chronicle: 11-24 Nov 85]

[Text] 22nd PZPR Central Committee Plenum:

11 November

-- The PZPR Central Committee met for the second part of its 22nd plenary session.

-- The plenum examined the draft program for implementing the Resolution of the 19th Central Committee Plenum and accepted the text of the document for implementation.

-- As the second item on its agenda, the Central Committee plenum granted party recommendations to candidates for members of the Council of Ministers on the eve of the Sejm session.

As regards organizational matters, the plenum:

-- accepted the resignation of Politburo Member Kazimierz Barciszewski from the post of Central Committee secretary in connection with his election by the Sejm to the post of vice chairman of the Council of State;

-- accepted the resignation of Stefan Olszowski from the Politburo on the grounds of personal reasons and the desire to devote himself to publicistic-scientific work;

-- appointed to the post of Central Committee secretary Marian Wozniak, a Politburo member and first secretary of the Warsaw PZPR Committee;

-- recalled Wieslaw Bek from the post of editor-in-chief of TRYBUNA LUDU in connection with his transfer to government work;

-- appointed Jerzy Majka to the post of editor-in-chief of TRYBUNA LUDU and at the same time recalled him from the post of director of the Information Department under the Central Committee.

The deliberations were chaired by First Central Committee Secretary Wojciech Jaruzelski.

Session of the Central Commission for PZPR-ZSL-SD Cooperation:

11 November

-- The Central Commission for PZPR-ZSL-SD Cooperation held a session at which agreements were reached on matters relating to the second meeting of the Sejm. At the session the PZPR side was represented by: Wojciech Jaruzelski, Kazimierz Barcikowski, Jozef Czyrek, Zbigniew Messner, Tadeuwz Porebski and Wlodzimierz Mokrzyszczak.

Joint Session of the Central Cooperation Commission and the Presidium of the Executive Committee of the PRON National Council:

11 November

-- A joint session of the Central Commission for PZPR-ZSL-SD Cooperation and the Presidium of the PRON National Council was held. The agreements reached by the Central Commission for Cooperation with respect to the second meeting of the Sejm were presented and discussed. The Presidium of the Executive Committee of the PRON National Council accorded its support.

Session of the Politburo of the Central Committee:

19 November

The Politburo:

-- discussed the implementation of the conservation program during the years 1983-1985 and the basic tasks in this field until 1990;

-- examined the implementation of the resolutions of the Ninth Central Committee Plenum concerning work education and the stimulation of economic initiative and production activism among youth and considered a report on consultation about the assumptions of the draft decree for broadening the participation of youth in the country's sociopolitical, economic and cultural life;

-- evaluated positively the draft decree for the plant social services fund and the plant housing fund.

Conferences and Meetings:

11 November

-- The Commission for Recommendations, Complaints and Signals from the Population under the Central Committee discussed the implementation of tasks ensuing from the Central Committee and province committee resolutions concerning the handling of problems of citizens by party echelons and organizations in the Lublin, Tarnobrzeg, Szczecin and Wroclaw provinces. The deliberations were chaired by Politburo Member Albin Siwak.

-- The Commission for Social Policies under the Central Committee discussed aspects of CPR '86 [1986 Central Annual Plan] relating to prices, employment, wages and living conditions. The deliberations were chaired by Candidate Member of the Politburo and Secretary of the Central Committee Jan Glowczyk.

The Agriculture Commission under the Central Committee examined the current situation of agriculture with allowance for the 1986 Central Annual Plan and evaluated the the status and implementation of land-reclamation and rural water supply investment projects as well as the premises of new legal and organizational solutions concerning land management. The deliberations were chaired by Central Committee Secretary Zbigniew Michalek and attended by Director of the Central Committee's Agriculture Department Stefan Zawodzinski.

-- The Commission for Law and Order under the Central Committee evaluated the sociopolitical situation of the lawyer community and the directions of action to improve it. The deliberations were chaired by the commission's vice chairperson Lucjan Czubinski.

-- The Commission for Science and Education under the Central Committee considered reports on the course of elections to the Sejm in the educational and university community, the status of the work on the implementing regulations for the revised decree on higher education, the development of the movement for Active National Assistance to Schools and the status of the party in higher schools. The deliberations were chaired by the commission's vice chairperson Tadeusz Chmielniak.

-- The Working Team for Historical Education held a session under the chairmanship of Candidate Member of the Politburo Professor Marian Orzechowski. Matters relating to the training and advanced training of teachers were discussed. Director of the Department of Science and Education under the Central committee Bronislaw Ratus took part in the deliberations.

12 November

-- The Ideology Commission under the Central Committee discussed the sociopolitical situation following the elections to the Sejm and the ensuing tasks for the ideological front and considered the assumptions of the system of party schooling. The deliberations were chaired by Politburo Member and Central Committee Secretary Jozef Czyrek.

13 November

-- A session of the collegium and executive board of the basic party organization at TRYBUNA LUDU was held with the participation of Candidate Member of the Politburo and Secretary of the Central Committee Jan Glowczyk. J. Glowczyk formally appointed Jerzy Majka the editor-in-chief of TRYBUNA LUDU. Director of the Press, Radio and Television Department under the Central Committee Bogdan Jachacz took part in the session.

14 November

-- The Warsaw PZPR Committee, deliberating in the presence of First Central Committee Secretary Wojciech Jaruzelski, relieved Marian Wozniak from the post of first secretary of this committee in connection with his appointment to the post of Central Committee secretary. Janusz Kubasiewicz was elected the new first secretary of the Warsaw PZPR Committee. J. Kubasiewicz was previously director of the Socio-Legal Department under the Central Committee. Those taking part in the session included: Politburo Member Albin Siwak, Candidate Member of the Politburo and Secretary of the Central Committee Wlodzimierz Mokrzyszczak and Director of the Cadre Policy Department Wladyslaw Honkisz.

-- In Warsaw was held a conference of first secretaries of party committees in military districts, the armed services and military academies. The directions and tasks of party work in the army ensuing from the preparations for the 10th PZPR Congress were discussed. The Chief of the GZP WP [Main Political Directorate of the Polish Army] and Deputy Minister of National Defense General of Arms Jozef Baryla took part in the conference.

15 November

-- Candidate Member of the Politburo and Secretary of the Central Committee Jan Glowczyk met with Soviet journalists accredited to Poland. Problems of cooperation between Polish and Soviet mass media during the period of preparations for the 27th CPSU Congress and the 10th PZPR Congress were discussed. The meeting was attended by Director of the Press, Radio and Television Department under the Central Committee Bogdan Jachacz.

15-16 November

-- In Warsaw was held a conference of secretaries of higher-school PZPR committees at which the tasks of party organizations in the university student community were discussed. The conference was chaired by Director of the Department for Science and Education under the Central Committee Bronislaw Ratus and attended by Director of the Department for Youth under the Central Committee Leszek Miller.

18 November

-- In Warsaw was held a conference of the province party committee secretaries responsible for cultural matters. It was chaired by Central Committee secretary Waldemar Swirgon.

21 November

-- In Prague was held a meeting of the leaders of the member countries of the Warsaw Treaty. The Polish side was represented by First Central Committee Secretary and Chairman of the Council of State Wojciech Jaruzelski. Minister of Foreign Affairs Marian Orzechowski also was present. At the meeting Secretary General of the CPSU Central Committee Mikhail Gorbachev briefed the participants on the course and results of the recent Soviet-American summit meeting in Geneva.

-- Politburo Member and Central Committee Secretary Jozef Czyrek received a delegation of the Federal Conference of the Socialist Union of the Working People of Yugoslavia during its sojourn in Poland, headed by Presidium Chairman Professor Aleksandr Grliczkov.

22 November

-- In Warsaw was held a conference on ideology and theory for the high command of the PRL armed forces. The speakers at the conference included the candidate members of the Politburo Central Committee Secretary Wlodzimierz Mokrzyszczak and Minister of Foreign Affairs Marian Orzechowski as well as Central Committee Secretary Waldemar Swirgon. Candidate Member of the Politburo and Minister of National Defense Army General Florian Siwicki took part in the conference.

23 November

-- The 17th Plenum of the CKKP [Central Party Control Commission] was held with the participation of chairpersons of the province party control commissions. The implementation of the tasks adopted for the second half of this year, a draft plan of action for the subsequent months and the work on the CKKP's report to the 10th Party Congress were discussed. The deliberations were chaired by CKKP Chairman Jerzy Urbanski.

At Party Echelons and Organizations

15 November

-- The Radom Province PZPR Committee discussed the intelligentsia's role in developing the region with allowance for the implementation of the resolution of the 19th Central Committee Plenum. The participants in the deliberations included Politburo Member Zofia Grzyb and Central Committee department directors Wladyslaw Loranc and Witold Nawrocki.

-- The Bialystok Province PZPR Committee evaluated the implementation of the resolution of the joint Ninth Plenum of the PZPR Central Committee and the ZSL Supreme Committee and outlined the main tasks for Bialystok agriculture. Central Committee Secretary Zbigniew Michalek took part in the deliberations.

16 November

-- Central Committee Secretary Waldemar Swirgon met at the PERKOZ School of Senior Scouts near Olsztynek with young councilmen and deputies recommended by the ZHP [Polish Scouts Union].

18 November

-- The Sieradz Province PZPR Committee discussed the tasks of the province party organization and basic-level echelons in strengthening the role of party members in their communities.

20 November

-- The Wroclaw Province PZPR Committee assessed the campaign of elections to the Sejm in the province and, in this context, outlined the directions of action in strengthening socialist democracy, the leading role of the party and stabilization of sociopolitical life in the province.

-- Politburo Member Zofia Grzyb met with the party-managerial aktiv of JARLAN Knitwear Industry Works in Jaroslaw.

21 November

-- The Gorzow Wielkopolski PZPR Province Committee discussed the directions of cultural development in the province, particularly within the worker community. Central Committee Secretary Waldemar Swirgon took part in the deliberations.

-- The Plock Province PZPR Committee examined the assumptions of the 1986-1990 province socioeconomic plan.

-- Politburo Member Zofia Grzyb took part in the opening of an exhibition depicting the martyrology of the Polish nation during World War II, organized at the vocational school of the RADOSKOR Leather Industry Works in Radom.

22 November

-- The Pila Province PZPR Committee evaluated the functioning of institutions serving the rural population in the light of implementing the resolution of the Ninth Central Committee Plenum. Politburo Member Albin Siwak and Director of the Bureau of Letters and Inspections under the Central Committee Marian Kot took part in the deliberations.

-- The Legnica Province PZPR Committee discussed the tasks of the province party organization in shaping the state-mindedness [l'etatisme-mindedness] of the society.

-- The Wloclawek Province PZPR Committee considered the problems of housing construction in the context of the 1986-1990 development plan for the region.

23 November

-- In Katowice were held funeral ceremonies for General Jerzy Zietek, Builder of People's Poland. They also were attended by the following representatives of the supreme authorities and members of the Politburo: Prime Minister Zbigniew Messner, Vice Chairman of the Council of State Kazimierz Barcikowski, and miner Jerzy Romanik, and also Candidate Member of the Politburo Central Committee Secretary Jan Glowczyk.

Interparty Cooperation

4-12 November

-- A delegation of the Central Committee of the Labor Party of Korea headed by Central Committee Member and Director of the Economic Department Kong Sun Chi sojourned in Poland. The guests were received by Central Committee Secretary Henryk Bednarski. Director of the Economic Department under the Central Committee Marek Holdakowski took part in the conversation.

14 November

-- Secretary General of the Central Committee of the Czechoslovak CP Gustav Husak received PZPR Central Committee Secretary Henryk Bednarski during his working visit to Czechoslovakia. In the course of the conversation, cooperation between the PZPR and the Czechoslovak CP in the field of ideology was evaluated. Candidate Member of the Presidium and Secretary of the Central Committee of the Czechoslovak CP Jan Fojtik and Secretary of the Central Committee of the Czechoslovak CP Josef Havlin took part in the conversation.

11-15 November

-- A working delegation of the Central Committee of the Bulgarian CP headed by First Deputy Director of the Department of Ideological Policy under the Central Committee V. Momov sojourned in Poland. Toward the end of its sojourn the delegation was received by Candidate Member of the Politburo and Secretary of the Central Committee Jan Glowczyk. Director of the Ideology Department under the PZPR Central Committee Wladyslaw Loranc took part in the meeting.

22 November

-- A one-day working visit to Bucharest was paid by First Secretary of the PZPR Central Committee and Chairman of the PRL Council of State Wojciech Jaruzelski. He was accompanied by Politburo Member and Central Committee Secretary Jozef Czyrek and Deputy Prime Minister and Chairman of the Planning Commission Manfred Gorywoda.

-- A study delegation of the Agriculture Department under the Central Committee of the Mongolian People's Revolutionary Party, headed by department director Gendegijn Bizjan ended its visit of several days to Poland. The delegation was received by Candidate Member of the Politburo and Central Committee Secretary Wlodzimierz Mokrzyszczak.

Party Activities Calendar 25 Nov - 8 Dec 85

Warsaw ZYCIE PARTII in Polish 18 Dec 85 p 21

[Unattributed report: "Party Chronicle: 25 November--8 December 1985"]

[Text] Politburo Sessions:

26 November

The Politburo:

-- studied a report on the meeting of the leaders of the socialist countries in Prague subsequent to the talks between Secretary General of the CPSU Central Committee Mikhail Gorbachev and the President of the United States;

-- discussed next year's central plan and the anticipated conditions of its fulfillment;

-- considered a forecast for meeting the food needs of the society in the coming year as well as the status of land reclamation and rural water supply;
-- listened to a report on Wojciech Jaruzelski's visit to Romania.

Second All-Polish Party Conference on Ideology and Theory:

28 November

-- The 2-day Second All-Polish Party Conference on Ideology and Theory, devoted to discussing the draft PZPR Program, was ended. The participants in the deliberations included, in addition to 500 invited party activists, members of the Politburo and Secretariat of the Central Committee. During the deliberations, which were chaired by Politburo Member and Central Committee Secretary Jozef Czyrek, reports were presented by Candidate Member of the Politburo Marian Orzechowski and Central Committee Secretary Henryk Bednarski. On the first day of the conference an address was delivered by First Central Committee Secretary Wojciech Jaruzelski. Next, the conference participants deliberated in eight topic sections. On the second day of the conference, reports on the activities of the topic sections were presented and a plenary discussion took place.

Conferences and Meetings:

25 November

-- The Culture Commission under the Central Committee discussed the currrent status and development prospects of stage entertainment in Poland. The deliberations were chaired by Central Committee Secretary Waldemar Swirgon.

26 November

-- First Central Committee Secretary Wojciech Jaruzelski met with Chairman of the PTNP Polish Society of Political Sciences] Professor Czeslaw Mojsiewicz and members of the Society in connection with the 25th anniversary and Seventh Congress of the PTNP. Politburo Member and Central Committee Secretary Tadeusz Porebski took part in the meeting.

27 November

-- First Central Committee Secretary Wojciech Jaruzelski, in the presence of Politburo Member and Central Committee Secretary Marian Wozniak, received Harry Tisch, a member of the Politburo of the SEPD Central Committee and chairman of the Central Board of the FDGB [Association of Free German Trade Unions], during his visit to Poland as head of the FDGB delegation invited by the OPZZ [National Federation of Trade Unions].

28 November

-- First Central Committee Secretary and Chairman of the Council of State Wojciech Jaruzelski arrived in Katowice Province in connection with the coming Day of the Miner. W. Jaruzelski and the Politburo members and Central Committee secretaries Marian Wozniak and Jerzy Romanik toured the construction site of the miners' hospital in Sosnowiec and visited miners at the GENERAL ZAWADZKI Mine. At a meeting with mine-crew representatives W. Jaruzelski decorated the mine's flag with the Grand Cross of Poland's Rebirth. A group of leading miners received from W. Jaruzelski's hands high state decorations.

-- The Commission for the Protection of Public Health and Natural Environment under the Central Committee completed its 2-day deliberations at a circuit session in Katowice dealing with restoration of the ecological equilibrium and reduction of industrial pollution. The deliberations were chaired by Politburo Member Stanislaw Opalko.

-- A 2-day all-Polish methodological conference on "Plant Systems of Working With Technician Personnel," organized in Jachranka near Warsaw by the Cadre Policy Department under the Central Committee and the Ministery of Metallurgy and Machine Industry as well as the Ministry of Chemical and Light Industry, came to an end. Its deliberations were summed up by Director of the Cadre Policy Department under the Central Committee Wladyslaw Honkisz.

29 November

-- Assessment of Sejm elections and the ensuing conclusions regarding party work prior to the 10th Congress were the topics of a meeting between Central Committee lecturers and Politburo Member and Central Committee Secretary Tadeusz Porebski.

29-30 November

-- A conference of the economic secretaries of province party committees was held in Poznan. Problems of housing construction, a more efficient consumption of raw and other materials and energy and the 1986 Central Annual Plan were the topics of discussion. The deliberations were chaired by Politburo Member and Central Committee Secretary Marian Wozniak, and participated in by Politburo Member Stanislaw Kalkus.

30 November

-- At the seat of the Central Committee was held a conference of directors of interprovince and province party schools. The tasks of the schools for the first half of 1986 were discussed. Candidate Member of the Politburo and Secretary of the Central Committee Wlodzimierz Mokrzyszczak took part in the conference.

3 December

-- On the eve of the traditional "Day of the Miner" a ceremonial meeting was held at the House of Music and Dance in Zabrze. It was attended by,in addition to the leading miners and heads of the province, the following representatives of the highest party and state authorities: Zbigniew Messner, Roman Malinowski, Tadeusz Witold Mlynczak, Kazimierz Barcikowski, Stanislaw Kalkus, Jerzy Romanik, Albin Siwak, Marian Wozniak, Czeslaw Kiszczak, Manfred Gorywoda, Jozef Koziol and Zbigniew Szalajda.

4 December

-- At the PZPR Central Committee was held a national conference of province party committee secretaries and editors-in-chief of press, radio and television agencies. The participation of the mass media in the campaign for elections to the Sejm and the conclusions ensuing from this campaign for propaganda work were discussed. The discussion was opened with a speech by Director of the Press, Radio and Television Department under the Central Committee Bogdan Jachacz, and summed up by Candidate member of the Politburo and Secretary of the Central Committee Jan Glowczyk.

5 December

-- The Central Committee's Commission on Women discussed the operation of the "Practical Woman" and "Modern Homemaker" centers. A report on the participation of the Polish delegation in the International Women's Conference in Nairobi and on the female deputies to the Ninth Session of the Sejm was also presented. The deliberations wree chaired by Politburo Member Zofia Grzyb.

6 December

-- First Central Committee Secretary and Chairman of the Council of State Wojciech Jaruzelski granted an interview to the West German weekly STERN. The text of the interview was published in TRYBUNA LUDU of 6 December 1985.

-- On the invitation of First Central Committee Secretary Wojciech Jaruzelski a visit of several days was paid to Warsaw by the Chairman of the SPD [Socialdemocratic Party of Germany] Willy Brandt. The next day, the PZPR and SPD delegations held talks chaired by Wojciech Jaruzelski and Willy Brandt.

-- On the occasion of the 50th anniversary of the satirical weekly SZPILKI an exhibition of satirical drawings was opened in the capital city's Museum of Carricature by Candidate Member of the Politburo and Secretary of the Central Committee Jan Glowczyk.

7 December

-- Candidate Member of the Politburo and Secretary of the Central Committee Jan Glowczyk met with the editorial team of ZYCIE GOSPODARCZE in connection with the weekly's 40th jubilee anniversary. Some 15 of the team's members received state decorations.

At Party Echelons and Organizations

25 November

-- The Szczecin Province PZPR Committee discussed the tasks of party members and organizations in implementing the resolution of the 20th Central Committee Plenum. Candidate Member of the Politburo and Secretary of the Central Committee Wlodzimierz Mokrzyszczak took part in the deliberations.

-- The Suwalki Province PZPR Committee discussed the development of the agricultural and food industry in the province until 1990.

-- The Olsztyn Province PZPR Committee outlined the directions of strengthening the province party organization.

-- Politburo Member Albin Siwak participated in an open party meeting at the Warsaw ENERGOBUD Power Construction Plant, dealing with the conditions for the activism of the rising generation.

28 November

-- The Lodz Province PZPR Committee evaluated the implementation of socio-economic tasks and discussed the tasks ensuing from the assumptions of the 1988-1990 National Socioeconomic Plan for the Lodz Province.

-- The Biala Podlaska Province PZPR Committee discussed ways of improving the system of national education at educational and upbringing institutions.

-- The Leszno Province PZPR Committee evaluated the implementation of the province socioeconomic plan in the years 1983-1985 and outlined tasks of party work for the years 1986-1990.

-- The Zamosc Province PZPR Committee deliberated improvements in rural and agricultural services.

29 November

-- The Elblag Province PZPR Committee, at a joint session with the ZSL Supreme Committee, discussed the principal problems of the province's agriculture. The participants in the session included: PZPR Central Committee Secretary Zbigniew Michalek and ZSL Supreme Committee Secretary Kazimierz Olesiak.

-- The Ciechanow Province PZPR Committee formulated recommendations and tasks for party echelons and organizations ensuing from the campaign for elections to the Sejm. The plenary session also considered reports on the implementation of resolutions of the plenums of the Central Committee and the province committee concerning suggestions and complaints submitted to party echelons and organizations.

-- The Kalisz Province PZPR Committee evaluated the implementation of the resolution of the 13th Central Committee Plenum concerning the main assumptions of PZPR cadre policy.

-- The Krakow PZPR Committee discussed the main directions of the work of party organizations in the academic and cultural communities.

-- The Tarnow Province PZPR Committee discussed problems of law and order on the province's territory.

2 December

-- The Katowice Province PZPR Committee discussed the living conditions of the province's population and the results of the social policies pursued by work establishments. Politburo Member Jerzy Romanik participated in the deliberations.

-- In connection with the 65th birthday of merited party and state activist Jerzy Muszynski, the PZPR CKR Chairman Kazimierz Morawski met with the jubilee celebrant at the seat of the PZPR Central Committee and conveyed to him best wishes and expressions of acknowledgment.

5 December

-- The Czestochowa Province PZPR Committee evaluated the implementation of the resolutions adopted at its plenary sessions in the last 3 years with respect to ideological-upbringing activities. The committee accepted the resignation of Wladyslaw Jonkisz from the post of first committee secretary in connection with his being entrusted by the Sejm the duties of a member of the Council of State. The committee elected a new first secretary, Jerzy Sypek, previously a secretary of this echelon. Candidate Member of the Politburo and Secretary of the Central Committee Wlodzimierz Mokrzyszczak participated in the deliberations.

-- The Bielsko Biala Province PZPR and ZSL committtees evaluated at a joint session the implementation of tasks in agriculture. Central Committee Secretary Zbigniew Michalek, Director of the Department of Intraparty Management under the Central Committee Antoni Gorny and Chairman of the Agriculture Commission under the ZSL Supreme Committee Professor Waldemar Michna participated in the deliberations.

-- The Ostroleka Province PZPR and ZSL committees evaluated the implementation of the resolution of the 11th Plenum of the PZPR Central Committee and the ZSL Supreme Committee, with special consideration of the social conditions in the countryside. Director of the Agriculture Department under the Central Committee Stefan Zawodzinski and Deputy Director of the Economy and Agriculture Department under the ZSL Supreme Committee Stanislaw Pohorylo participated in the deliberations.

-- The Piotrkow Trybunalski Province PZPR Committee discussed the principal problems of cultural development in the province until 1990. Candidate Member of the Politburo and Secretary of the Central Committee Jan Glowczyk participated in the deliberations.

-- The Torun Province PZPR Committee considered problems of shaping socialist awareness as part of the cultural education of the province's population.

6 December

-- The Skierniewice Province PZPR and ZSL committees evaluated at a joint session the implementation so far of tasks ensuing from the resolution of the 11th Plenum of the PZPR Central Committee and the ZSL Supreme Committee. Member of the Presidium and Secretary of the ZSL Supreme Committee Kazimierz Olesiak and Deputy Director of the Agriculture Department under the PZPR Central Committee Ludwik Stasinski took part in the deliberations.

-- The Slupsk Province PZPR Committee evaluated the implementation of the 3-Year (1983-1985) Socioeconomic Plan in the province. Politburo Member and Central Committee Secretary Marian Wozniak took part in the deliberations.

-- The Tarnobrzeg Province PZPR and ZSL committees evaluated, at a joint circuit session in Sichow, the implementation in the province of the resolution of the 11th Plenum of the PZPR Central Committee and the ZSL Supreme Committee. PZPR Central Committee Secretary Zbigniew Michalek and Vice President of the Party Court under the ZSL Supreme Committee Stanislaw Zielinski took part in the deliberations.

-- The Warsaw PZPR Committee discussed the directions of further work on the internal strengthening of the Warsaw party organization. Politburo Member Albin Siwak and Candidate Member of the Politburo and Secretary of the Central Committee Wlodzimierz Mokrzyszczak took part in the deliberations.

7 December

-- In Wloclawek was held a conference of 1,300 secretaries of basic party organizations and the aktiv of the province. The performance of basic party organizations was evaluated and the main directions of the political campaign prior to the 10th Party Congress were determined. Candidate Member of the Politburo and Secretary of the Central Committee Wlodzimierz Mokrzyszczak and Deputy Director of the Political-Organizational Department under the Central Committee Jan Bluszkowski took part in the deliberations.

Interparty Cooperation:

25-29 November

-- A delegation of the HSWP [Hungarian Socialist Worker Party] headed by Central Committee Member and Secretary of the Samogy HSWP Central Committee Imre Klenovics visited Poland. The delegation held talks with the heads of the Political-Organizational Department under the PZPR Central Committee and familiarized itself with the work of party echelons and organizations in Gdansk and Bydgoszcz provinces. Toward the end of its visit the delegation was received by Candidate Member of the Politburo and Secretary of the Central Committee Wlodzimierz Mokrzyszczak in the presence of Director of the Political-Organization Department under the Central Committee Kazimierz Cypryniak.

26-30 November

-- A worker delegation headed by Deputy Director of the Agriculture Department under the SEPD Central Committee Heinz Drescher visited Poland. The delegation toured the Lomza, Bialystok and Suwalki provinces and held talks with Director of the Agriculture Department under the PZPR Central Committee Stefan Zawodzinski. The delegation was received by Central Committee Secretary Zbigniew Michalek.

-- Poland was visited by a delegation of the Central Committee of the Worker Party of Ethiopia, headed by Central Committee Secretary Wubeshet Dessie. During their visit to Radom Province, First Province Committee Secretary Bogdan Prus briefed the visitors about the socioeconomic problems and main directions of party work in the province. Politburo Member Zofia Grzyb took part in the meeting. Candidate Member of the Politburo and Secretary of the Central Committee Wlodzimierz Mokrzyszczak held talks with the delegation.

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INCREASED SOVIET CONTACTS, COOPERATION

Warsaw TRYBUNA LUDU in Polish 13 Nov 85 p 7

Theatre Festival in Katowice

["Festival of Russian and Soviet Drama in Katowice" -- PAP report; passages within slantlines printed in boldface]

[Text] On 15 [Nov 85] in Katowice will begin the jubilee 10th Festival of Russian and Soviet Theatre, which will last until 24 November./

This quadrennial series of performances of the modern theatre and classical plays of the Land of the Soviets will be inaugurated this year by the Malyy Theatre of Moscow, which will stage Sergey Naydonov's "Vanyushin's Children" and Yuriy Bondarev's "The Choice" for audiences in Silesia, Poznan and Warsaw.

Concerning the visit of Malyy Teatr to Poland, it is worth noting that several weeks ago the Stanislaw Wyspianski Silesian Theatre of Katowice had given performances in Moscow. /The USSR Ministry of Culture sent the management and troupe of the Silesian theatre a letter of thanks for its successful performances along with best wishes for further successes in artistic activity, in propagating Russian and Soviet drama and in developing and strengthening cultural cooperation between Poland and the Soviet Union/ [emphasized]. Malyy Teatr will give performances in Katowice (15-16 [Nov 85]), Poznan (18-19 [Nov 85]) and Warsaw (21-25 [Nov 85]).

Soviet Mass Media Cooperation

Warsaw TRYBUNA LUDU in Polish 16-17 Nov 85

[Unattributed report under 'Chronicle' rubric: "Cooperation Between Polish and Soviet Mass Media"]

[Text] On 15 [Nov 85] Candidate Member of the Politburo and Secretary of the PZPR Central Committee Jan Glowczyk met with Soviet journalists accredited in Poland. Aspects of cooperation between Polish and Soviet mass media during the period of preparations for the 27th CPSU Congress and the 10th PZPR Congress were discussed.

The meeting was attended by Director of the Press, Radio and Television Department under the PZPR Central Committee Bogdan Jachacz. USSR Embassy Councilor Mikhail Krapivin was present.

'Moscow-85' Festival Conclusion

Warsaw TRYBUNA LUDU in Polish 16-17 Nov 85

[Untitled report under the rubric "The Polish Press Agency Informs"]

[Text] The final session of the Polish "Moscow-85" Festival Committee was held on 15 [Nov 85] in Warsaw. The meeting was opened by Jerzy Szmajdzinski, vice chairperson of the PKF [Polish Festival Committee] and vice chairperson of the Main Board of the ZSMP [Union of Polish Socialist Youth], and PKF Secretary Andrzej Minko reported on the accomplishments and lessons of the festival. Thanks for help in preparing this meeting of the progressive youth of the world as well as for active participation therein were expressed by Nikolay Pal'tsev, director of the Agitation and Propaganda Department under the Central Committee of Lenin's Komsomol. Secretary General of the TPPR [Main Board of the Polish-Soviet Friendship Society] Stefan Nawrot described projects undertaken by elements of the TPPR.

Director of Youth Department under the PZPR Central Committee Leszek Miller participated in the deliberations.

In the evening the session participants gathered at a festive concert performed by Polish ensembles and a group of artists from the Land of the Soviets. The audience included Secretary of the PZPR Central Committee Waldemar Swirgon.

Soviet Farmers Delegation Visits

Warsaw TRYBUNA LUDU in Polish 20 Nov 85 p 2

[Unattributed report: "From the Sojourn of the Delegation of Soviet Farmers"]

[Text] On the invitation of the PZPR Central Committee a delegation of Soviet farmers,members of the CPSU, is touring Poland. It is headed by Twice Hero of Socialist Labor Vasiliy Chergantsev, a harvesting-combine driver at the Rassvet Kolkhoz in Orenburg Oblast.

Following talks held at the Agriculture Department under the PZPR Central Committee the Soviet guests traveled to Poznan, where they were received by the heads of the Poznan Province PZPR Committee. They were briefed on the problems of the region's socioeconomic development, with special consideration of matters relating to the development of agriculture and food management. In addition, there was an exchange of experience relating to party work within local agricultural organizations. The members of the delegation placed wreaths at the Monument to Heroes in the Park of Friendship and Brotherhood of Arms, Poznan Citadel.

Polish-Soviet Friendship Society

Warsaw TRYBUNA LUDU in Polish 21 Nov 85 p 5

[Untitled report under the rubric "PAP Informs"]

[Text] The accomplishments of the nation's largest plant branch of the TPPR at the Stalowa Wola Steel and Iron Plant were assessed on 20 [Nov 85] at a report-program conference; a portentous moment during the deliberations was the presentation of the 10,000th membership card by the plant TPPR organization to Halina Rzepa, a plant department employee. The conference was attended by PZPR Central Committee Secretary Henryk Bednarski, who congratulated the plant's TPPR activists on their significant accomplishments.

Soviet Chemists Union Delegation Visit

Warsaw TRYBUNA LUDU in Polish 21 Nov 85 p 5

[Article by (ges): "Soviet Unionists in Krakow"; passage within slantlines printed in boldface]

[Text] /(Own information) A delegation from the Central Committee of the Trade Union of Chemists in Moscow met in Krakow on 20 [Nov 85] with unionists from the STOMIL Rubber Industry Works./

The meeting generated substantive discussion of forms of cooperation among enterprises in the chemical subsectors of Poland and the Soviet Union. In particular, experience in rationalization of labor, social rights of workforces, application of new technologies and technical progress was exchanged. In addition, there was an exchange of information on projects for the next few years.

In the afternoon hours the Soviet guests placed flowers at the Monument Mausoleum of Soviet Army Personnel fallen in the battles for the liberation of Krakow as well as on the slab of the Tomb of the Unknown Soldier.

Veterans Awarded at Consulate

Warsaw RZECZPOSPOLITA in Polish 22 Nov 85 p 7

["World War II Veterans Decorated With Medals: At the USSR Consulate in Krakow" -- PAP report; passage within slantlines printed in boldface]

[Text] /(C) On 21 [Nov 85] at the USSR Consulate in Krakow 30 World War II veterans who had served in the Soviet Army were awarded medals honoring the 40th anniversary of the defeat of fascism, granted by the USSR Supreme Soviet. The medals were presented by the Consul General and Plenipotentiary Minister of the USSR in Krakow Georgiy Rudov./

The group of decorated veterans from, among other places, the provinces of Bielsk, Nowy Sad, Kielce, Krakow, Katowice and Zamosc, was honored with the following medals: for the defense of the Caucasus, Odessa, Sevastopol, Stalingrad, Kiev and Warsaw, and for the conquest of Berlin.

Cooperative Film Making Planned

Warsaw RZECZPOSPOLITA in Polish 22 Nov 85 p 7

["Plans for Film Coproduction Between Poland and the USSR" -- PAP report; passage within slantlines printed in boldface]

[Text] /(C) According to ZESPOLY FILMOWE Filming Enterprise a preliminary agreement for joint production of the diptich bearing the provisional title "We Shall Remain Faithful" has been signed in Moscow between Polish and USSR filmmaking groups./ Filmmaking enterprises from Czechoslovakia, the GDR and Hungary will also participate in producing the film. This work will depict the brotherhood of arm that was born in the fire of battle on fields of battle. [PAP report] [Warsaw RZECZPOSPOLITA in Polish 22 Nov 85 p 7] 2600

PZPR CC Delegation in Moscow

Warsaw TRYBUNA LUDU in Polish 23-24 Nov 85 p 7

[Unattributed report under the rubric "The PRL and the USSR: Strengthening of Cooperation"]

[Text] On the invitation of the CPSU Central Committee a delegation of the PZPR Central Committee headed by Central Committee Secretary Zbigniew Michalek made an official visit to the Soviet Union.

During its 5-day sojourn in the Land of the Soviets the delegation met with, among others, CPSU Central Committee Secretary Viktor Nikonov. Z. Michalek and V. Nikonov exchanged experience relating to party work as well as information on the current situation in the agriculture of both countries and on the tasks of agricultural ministries for the next 5-year period. In addition, they discussed problems relating to the further expansion and strengthening of Polish-Soviet cooperation in agriculture and food management as well as the question of mutual exchange of knowhow. Z. Michalek and V. Nikonov furthermore considered problems of the further development of trade in agricultural commodities between Poland and the USSR and exchanged information on the measures being taken in both countries to achieve self-sufficiency in food production.

OPZZ Delegation in Moscow

Warsaw TRYBUNA LUDU in Polish 23-24 Nov 85 p 7

[Unattributed report under the rubric "The PRL and the USSR: Strengthening of Cooperation"]

[Text] A working visit to Moscow was completed by a delegation of the OPZZ [National Confederation of Trade Unions] headed by the Chairman of the Commission for International Cooperation Jerzy Uzieblo.

The OPZZ delegation familiarized itself with the whole of the international activities of Soviet trade unions. At meetings with K. Matskiavichus and A. Subbotin, secretaries of the All-Union Central Council of Trade Unions, and in talks with the heads of the foreign department, the results and prospects so far of bilateral cooperation were discussed.

HEAD OF HIGHER MILITARY MEDICAL INSTITUTE INTERVIEWED

Sofia BULGÁRSKI VOIN in Bulgarian No 9, 1985 pp 14-15

[Interview granted by Mj Gen Prof Nikolay Kupenov, chief of the Higher Military Medical Institute, on the occasion of the 25th anniversary of its founding: "The VVMI [Higher Military Medical Institute]--A High Prestige Institute"]

[Text] [Question] Comrade General, what are the main aspects in the development of the VVMI which were the base for its current successes?

[Answer] Let me stress, above all, the great perspicacity of the BCP Central Committee, which was manifested in the decision to set up the VVMI and the accurate concept formulated by the MNO [Ministry of National Defense] regarding the nature of the institute as a one-of-a-kind establishment. The institute was to help resolve much more successfully problems of training military medical cadres, the need for which was growing with incredible speed, to enhance standards of treatment and diagnosis in the all-army hospital, to accelerate progress and to improve scientific research efficiency in the field of military medicine. The establishment of the VVMI made it possible to carry out these assignments on a comprehensive basis.

The second important feature was strengthening the ties between the VVMI and the S. M. Kirov Military Medical Academy in Leningrad, where a large number of our institute's military medical personnel were trained. They include the tremendous majority of our leading specialists, who apply Soviet experience in the field of medicine and military medicine in our institute.

The third important feature worth noting is the scientific devlopment of cadres as a result of a the establihment of the VVMI. Currently the institute employs a large number of professors, docents and senior scientific associates first and second class; a number of candidate and doctoral dissertations have been defended. The number of honored physicians and honored workers in sciences, laureates of the Dimitrov prize and others is impressive. Along with the development of cadres, the training-education, treatment and scientific activities of the institute have marked progress.

Finally, the new VVMI building is a basic feature. Progress in all of the institute's activities was accomplished also with the old facilities which, however, quite soon turned into a hindrance to further development. Thanks to the concern of the party and the direct guidance of the construction by Army General Dobri Dzhurov, BCP Central Committee Politburo member and minister of national defense, we now have an exceptionally rich and modern base which offers incomparably better conditions for the treatment of the patients and for the work of the personnel. It is a prerequisite for enhancing overall activities to a much higher level.

[Question] What are the most important treatment and prophylactic assignments to be carried out by the collective currently and how are they being resolved?

[Answer] The institute's collective faces important and responsible assignments in the area of diagnostic and treatment work. This includes, above all, the steady enhancement of the level of such activities and their efficiency. An increasing number of people suffering from most severe illnesses are coming to the institute for treatment after no other help has been available in a number of cases. This makes it incumbent upon us constantly to improve our diagnostic process, reduce diagnositc errors to a minimum and formulate and accurate course of treatment.

Secondly, we must master, perfect and apply the latest contemporary and highly effective treatment methods. In this respect, our aspiration is to compare ourselves not with what was yesterday and what is today in our country but what is taking place in the rest of the world. Our time demands the aspiration to reach global standards.

It is not easy for us to assess the implementation of this task by ourselves. We believe that some successes have been achieved in his respect. One objective criterion, for example, is the fact that in recent years our diagnosis has not been amended for even one patient sent abroad for consultation. Today the people abroad base their treatment entirely on our studies which are not rechecked. As a rule, any plan for treatment drawn up by Bulgarian physicians has not been subjected to substantial changes.

Another task is decisively to improve patient care. This is made incumbent upon us by the party decisions and the new building of the institute, which is providing us with excellent conditions. The decisive factor now in this respect is the subjective one.

We believe that positive changes have been made in this respect. The two-step care at the institute has already become a fact and is being applied with increasing success. In no case should we think, however, that we have done enough.

One of the main principles in health care in a socialist society is prevention. It is fully applied in our work. In recent years the institute has extensively applied on an increasingly higher level the outpatient treatment method. Outpatient treatment of higher ranking command personnel takes place in a clinical environment. The results indicate that this method is entirely justified. In many cases a disease is detected at its early stage, when it can still be treated successfully. Furthermore, we are detecting conditions at the stage directly preceding the development of a disease, when treatment is very easy. We intend to promote and improve this method.

Finally, the development of several new trends in treatment activities is one of our important tasks. Thus, for example, we shall undertake the even more extensive use of ultrasound diagnosis, expand laser treatment and development of endoscopy, not only for diagnostic purposes but for endoscopic therapy as well. We are encouraging the more extensive development of microsurgery, etc. All of these and other trends, naturally, become possible with the application of scientific and technical progress.

[Question] Could you say something about trends in the use of scientific and technical progress, computerization and utilization of the intellectual potential in VVMI activities?

[Answer] With its new facilities, the VVMI operates on a high scientific and technical level. It is equipped with modern diagnostic and treatment instruments, thanks to which we were able to achieve the type of progress in our diagnostic treatment work we mentioned. The new equipment has been mastered and is being used very successfully, for several highly skilled specialists were trained to work with it. We have set up a full-day schedule for its maximum utilization. The number of tests is growing steadily, which indicates its increased utilization. Let us point out that thanks to the organization of preventive technical control and technical servicing, our equipment rarely breaks down. We are helping other medical institutions whose equipment is temporarily out of order. This occurs most frequently in the use of computer tomography and some other instruments.

We are not satisfied with what we have and we keep trying to improve our technical facilities. We are planning the aquisition of new equipment for the new areas I mentioned.

Our center for scientific military medical information is offering increasing possibilities of upgrading the knowledge of specialists. We are planning its total modernization in the near future through the use of computers which will be connected with the Central Institute for Scientific and Technical Information and with some centers for scientific medical information in the USSR, Czechoslovakia and elsewhere. This will exceptionally improve such activities. We have a long-term plan for upgrading the skills of medical cadres, junior personnel in particular, on the basis of the new requirements. This plan was formualated several years ago and we are currently updating it.

We also pay great attention to the study of Russian and Western languages.

We are currently instructing teachers and scientists in the use of personal computers. This equipment will be subsequently used in student training.

[Question] Comrade General, how do you see the further development of the VVMI?

[Answer] In an ascending line. The available modern technical diagnostic and treatment facilities and the availability of young trained and promising cadres who provide continuity, and the enthusiasm with which most of the personnel work lead me to believe that the prestige of the institute will continue to grow. Demand for treatment at the institute will increase and, at the same time, the need for consultation and treatment abroad in some severe cases will decline. The organization and system of training health cadres for the needs of the Bulgarian armed forces will improve; an increasingly broader range of scientific military medical problems related to medical support of the troops will be resolved with increasing success. In other words, the contribution of the VVMI to strengthening the health of the soldiers will increase steadily, thus increasing our contribution to upgrading the combat capability and readiness of the Bulgarian people's army.

During the days marking the 25th anniversary of the VVMI we are reviewing our accomplishments and earmarking means of further and even faster development upward and forward.

Major General Professor Nikolay Kupenov

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CSO: 2200/27

SOCIOLOGY BULGARIA

DISAPPOINTING CENSUS RESULTS, ERODING STATE OF FAMILY ANALYZED

Where is the One and Only Woman?

Sofia TRUD in Bulgarian 14 Jan 86 p 3

[Article by Tosho Toshev]

[Text] It is true that women are plentiful: one-half of humankind. But where is that one woman? My wife, the one who will love only me, who will give birth to my children and raise them. Who will work as a respected partner among her colleagues although each one of them, even the best, will be merely way below my own manhood in her eyes.

Where is this only woman who will be tender and dear? She will be beautiful and attractive and will be looked over by all men but she will enjoy them only through me because of the pleasant ticklish feeling that it is precisely she, who is the most liked, is also the least accessible, for she will have no place in her heart and bed for anyone but me.

Where is the one who will accept all my male whims with understanding, calm them down in the embrace of her total dedication and gently threaten them with her shaking finger just enough to keep in me the conviction that I interest her everywhere and in everything and that she lives for me and through me?

According to some, this one and only woman no longer exists. She has melted, she has become part of the crowd. Others claim that although she may exist men, ah, those men! have become so unmasculine that they are totally unable to awaken her desire for one of them to be the only one. Yet, there precisely is the magic.

The reason is that truly no single woman could become the only one unless the man who stands by her is also the only one.

It turns out that the family, love, attachment and loyalty of the wife to the husband and the husband to his wife do not depreciate in value their decisive importance to the spiritual world of man. Physicians, sociologists, educators, publicists, writers and politicians deal with problems of family and love. They are almost unanimously worried because not everything is calm and safe in this most intimate human corner. Some even make dark predictions in which they find no place for the family, at least in its present aspect. Although these may be extremes, alarming facts already exist.

Is it a fact that divorces are irrepressibly increasing?

It is! Absolutely no administrative or moral codes could bind in reinforced concrete the family cell and force it to follow some kind of codified direction, the more so since quite frequently divorce offers the most moral solution.

Is it a fact that an increasingly fewer number of children are being born in today's Bulgaria?

It is a fact! The consequence of this fact is the rather realistic fear that our numbers are declining.

Is it a fact that the oldest and most reliable pillar of the family--marital faithfulness--became despairingly and hopelessly decayed all of a sudden, within one or two generations? It has become decayed and if it has not collapsed entirely, it continues to exist almost as window dressing. The most terrible thing is that marital unfaithfulness is swelling so unexpectedly rapidly that it is already becoming quite difficult to contain it within the discrete limits of the nonmarital bed. Unfortunately it is beginning to come closer to and reach the limits of spiritual betrayal, which cannot be concealed with any false fig leaves or memories of tenderness.

According to researchers, the reasons for all of this and for many other features of today's family are most different, complex and conflicting. Some of them are natural. According to some sex experts, one of the reasons is the "increased erotic enterprise and aggressiveness of women." Such aggressiveness, according to others, is explained by the growing significance of urban stress which, most generally speaking, has shaken loose some biological mechanisms ossified throughout the centuries in women and have armed the woman's body with the type of mischievous hormones which were so far typical of men only. At the same, that same urban stress has lowered precisely the generating of the same type of hormones in men. Naturally, this hypothesis is not shared by all. However, is it a fact that our women of today, not to speak of our daughters, who will be the women of the next generation of men, look very little like our mothers? It is a fact! And although this fact has a number of new pleasant features (level of information, intelligence, emancipation, etc.), does it also not include quite a number of scars which stand out like pock marks on the face of today's family?

It is also a positive fact that finally, women have found their place in society. They work alongside men. This is particularly important, for in the past women also worked but usually only in some kind of jobs for women which men were unwilling to do. Today the modern woman is everywhere where there are men. We even speak of a certain feminization of intellectual sectors in social practice, such as health care, education, some scientific areas, journalism, etc. Ignoring extremes for a moment, we could even claim that from the viewpoint of women and society as a whole, all of this is positive.

It has turned out, however, in our view, that that which is good for women in general and for society as a whole is not always good for the family as well.

Why?

Because after women came out of the family, some strange changes began to take place in what we consider the main cell of society. All of a sudden, the raising and education of children became terribly more difficult. The warmth and coziness of the family hearth began to decline catastrophically. Points of conflict between husband and wife in resolving even most petty daily problems increased at a fantastic speed. Who will take care of dirty dishes and unwashed laundry? Who will iron the man's shirts? Who will make breakfast, for the child at least? (less frequently, for the children?) Who?

Can you remember when was the last time on a weekday that the family sat down at the breakfast table for warm pancakes and a glass of fresh warm milk? There is no time for all this. The wife has no time. That is why the neighborhood coffee shop, the laundromat, are increasingly becoming our common "wife." As to the upbringing of the children, it takes place at the cradle in the children's home....

And if it were only this...

What is worse is that, having realized herself, personally and professionally, and whatever else, through her job, no one can now stop the woman and help her to realize herself emotionally as well. The job and the colleagues in the job replace, quite successfully at that and, in a certain sense, even more pleasantly and with greater variety, the husband!

This is accomplished in a naturally logical manner. The colleague (regardless of whether his hierarchical status is equal or higher) is the one with whom the wife discusses her present and future in specific terms and with understanding and, if necessary, with sympathy. It is with his help that quite frequently she can attain both immediate and more distant goals. And if the woman is ambitious, this becomes particularly important. It is with this same colleague that she experiences joys and pleasures. And, quite frequently, concerns and not only job-related ones. With increasingly frequency personal concerns and, not infrequently, concerns for family problems or husband are included. With him, with her colleague, the woman shares secrets, secrets which she does not share, she does not have to share with her husband. It is her colleague that she most frequently admires, whether for successes in the work, creativity, wit, charm, courage, or gallantry....

The husband is for the evening.

An evening which is so short: cleaning, cooking dinner, talking with the children a little bit and glimpsing at their homework; ironing a shirt, sewing a button or mending socks. This is followed by dirty dishes, the stink in the closet and dirty laundry waiting to be washed....Where is there time left for the husband! Other than for some practical tasks which cannot be postponed and some even more practical accounts and a...practical (after long procrastination) family love...

When is there time during a working day to admire the charm, manliness, wit and gallantry of he who is the father of the child...

Husband-Wife Relationship

Sofia TRUD in Bulgarian 15 Jan 86 pp 2-3

[Article by Tosho Toshev]

[Text] Can you imagine the situation of men whose wives have a higher social position? Wives who, at home as well, remain officials of the state, directors and chiefs....For, let us be honest, whatever revolution we may have carried out in the world of women, in the consciousness and morality of the Bulgarians, man remains the head of the family. Equality in labor, salary and opportunities in life is one thing; as to who is the head of the family is something entirely different. Our people (and they are not alone) have resolved this problem and applied it for millennia. Any twin power in this area, any form of female priority, trigger a greater or lesser coercion over our national mentality, natural feeling and aspiration of the man to be the protector and defender of the woman and the woman to be the defended, protected, the person who seeks and finds support.

Let us consider the last names of families: I for one am unaware of a case in which the family takes the last name of the wife, even when this name is quite prestigious, let us not consider powerful or phonetically better. It is true that it is no longer rare for the wife to keep her maiden name regardless of whether or not it is hyphenated with the last name of her husband. I dare to claim, however, that in most of these cases this not only does not contribute in any way to any kind of special prestige for the wife, but precisely the opposite: it has frequently brought about certain difficulties or unnecessary burdens both for the husband and the family as a whole, the more so since, generally, the children take the father's name. When children reach thinking age they can hardly understand why their own last name has nothing in common with the last name of their mother.

When we speak of the "head" of the family, naturally, in no case do we imply any kind of command, not to mention despotism. It is a question of the axis around which the family will rotate. Every atom in animate and inanimate matter has its nucleus. So does the earth. It also has a mental axis around which it turns. The entire solar system has a nucleus and an axis of rotation. It is not alone, for without an axis there would be chaos. The family as well must have a nucleus and an axis around which it rotates. The axis, as we know, supports the heaviest load. It is precisely the axis which resists the stress of centrifugal forces and holds together the components of the entity.

The husband alone can be such a natural axis in the family. Exceptions are possible but in such cases the circumstances are rather special, i.e., not entirely natural. Does practical experience not indicate that it is precisely where the man is in the center of the family microworld that events develop with approximately greatest accuracy? Some other prerequisites exist to this effect as well, for equality is equality and possibilities are something which has nothing to do with constitutional rights. Regardless of the financial emancipation of the wife, the main burden to support most families falls on the husband. Regardless of legally equal opportunities of the individual, hardly anyone would undertake to determine the time when the human possibilities of the husband and wife have become equal. Naturally, it would be stupid to say that one individual is more intelligent than another. However, is it not clear that, as a rule, even in the most feminized professions the leadership is virtually or almost entirely male? Let us consider medicine, science and the arts (not the performing arts but arts in which new spiritual values, which are timeless, are created, such as fiction, painting, music...). Let us not even mention areas, such as machine building, electronics, cybernetics, computerization, etc. Here the priority of the male is obvious and unequivocal.

The same priority should be equally unequivocal in the family. This, however, depends on both husband and wife. Yet it so happened that many modern women decided to begin with an attack, with an aggression and war precisely in this area. They take their right to equality literally.

We already mentioned the person most admired by women. The colleague...we also mentioned the person for whom they have the least amount of time....

On the other hand, however, turning things around, this entirely applies to the husband as well. For outside the family he is precisely that same charming, sweet, witty and so on colleague....This too has its respective prerequisites in life. The first among them is that deprived of his natural right to be the center of the family world, he becomes the center of another microworld of his, in his job and the enterprise where he spends the entire day. This is on the one hand. On the other, it is precisely there, outside the home, that he meets the woman in her most pleasant, most presentable aspect. There the woman is free, beautiful, tempting, and quite frequently active and aggressive....Let us consider a single feature: does anyone know of a case in which, coming home, the wife stand in front of the mirror, apply makeup, make herself more beautiful and more attractive and thus appear at her best?

I, for one, do not know of such a case.

As a rule, the woman puts on her best clothes, seeking a harmony of colors and moods, makeup and personal freshness precisely when she is about to go out, when she separates from her husband and goes to meet her colleague....As wife and at home she has her old clothes, worn out, eaten by the moths, smelling of onion and cooking oil. Who can compare the brilliance of the charm of the well-maintained and properly made up every morning charm with the loose skirt of the housecoat. As a rule, such a housecoat is always out of fashion, torn and sweaty.

Could anyone claim that all of this is accidental? Could anyone explain this by quoting lack of funds and clothing? I, for one, however they may explain it to me, I would disagree with all such arguments or, at least, I would put the following in the first place: the husband is hers. He is trapped. She does not have to make herself all that beautiful for him (the same, although in a different way, applies to the husband).

Gradually, from people who have loved each other more than anything else they turn into people who tolerate each other, despite everything else.

This may sound rather generalized and may be refuted with an infinite number of specific examples. It is also exaggerated but, as a rule, unfortunately is rather widespread and, which is worse, is a mass feeling....

Is there a person who could seriously claim that he is absolutely sure of his wife? (of her husband). That she is the dearest, the most beloved, etc., mother of children (or, respectively, father...) who is unable to be unfaithful? Furthermore, in discussing such a topic, even for the sake of not becoming ridiculous in the eyes of one's partner everyone allows the possibility of such unfaithfulness. He allows it in words, naturally, still hoping that it is precisely he that this tempest has spared somehow, or else hopes he will not find out about it. He hopes. This lie, which protects him from the truth, is to be more skillful, more real, more unshakable.

Now, pay attention! I claim that the main reason for the weakening of the centuries-old pillar described as marital faithfulness is, once again, the woman. Once again this reason is related to her social emancipation, which has become sexual as well. Read and understood superficially, it was precisely this situation that was brought about by this emancipation. Whether this is good or bad it all depends on the viewpoint. Some men are pleased: what could be better or more pleasant than the sweet magic of an extra-marital relationship! They simply do not consider that in this whirlpool their own wife may be drowning somewhere else, for in that case, she is simply with her colleague.

How nice it is that our wives have become better educated and better well-read, that they have become partners, people with whom one could engage in a dialogue. But how bad it is that it is precisely now, when we are pleased by this fact, that divorces are increasing, the birthrate is dropping and we are frozen by alienation. Instead of being a hearth in which the flames are fed crackling pine branches, the family fire quite frequently becomes a sham like the false fireplaces made for less demanding tastes, in which a red-colored electric light bulb is glowing. What comes out of such a fireplace is such a cold that not a dialogue but, quite frequently, even coexistence becomes impossible.

Skipping for a moment the deformations in the male psyche which have taken place, as well as a certain atrophy in the manhood (a topic for another article), once again it is as though precisely the woman is the one who should rescue the weakened pillars of the family, not by curling up within its shell, no. This is not only impossible but would also be wrong.

The man, the husband, should become the only one so that she too could be the only one. Not by beginning to lose her husband or losing him entirely, for after him the other will come. That one, the other, having lost the privilege of being the colleague, will pour his manhood into the cracked mold of marital life and will begin to look like the previous husband.

The wife must cast away her dirty housecoat....

She should wear her best clothing for her husband.

She must bring out his manliness, his gallantry, she should trigger them even when they are not there, she must admire his mind, his ability to work and his talent.

In the opposite case, what?

In the opposite case, divorce.

Or else, something worse: coexistence.

P. S.: The author realizes that in this article the role and place of the husband have not been analyzed with the same exigency as that of the wife. This, eventually, will become the topic of another article, for the problems are indeed serious and the family needs two people: a man and a woman.

Minkov Analyzes the Census Results

Sofia TRUD in Bulgarian 15 Jan 86 pp 1-2

[Interview conducted by Rumyan Georgiev]

[Text] The preliminary results of the December 1985 population census were published yesterday. On that occasion, an editor met with Professor Minko Minkov, chief director for this area at the Committee for Social Information, which carried out this important state assignment and is currently is processing the obtained data.

[Question] Do the already known results show something unexpected and disturbing?

[Answer] Nothing, from the viewpoint of the number of the population. Our preliminary sources and exceptionally accurate preparations for the census itself had already provided us reliable data on the state of affairs. We knew that we could not expect the type of increase which we had in the past. The so-called "two-children model" of the Bulgarian family is a reality for the country and is even eroding the large cities. In my view, this is not a threatening trend although this model cannot bring about an average annual population increase in excess of 21,000. Such increase is normal in a developed industrial country. In this case, what is more serious is that it could easily drop to zero and become negative. Obviously, we need a different, a "three-children" model.

[Question] How can we impose it? Appeals and well planned resolutions are failing to yield expected results so far.

[Answer] The old solutions concerning the role of the family and the woman are unquestionably expedient and necessary, although they are not operating with the expected strength. That is why during the new Five-Year Plan period social policy should be focused even more specifically on the problems of the family and, especially, on helping the young families, for which already now a great deal is being done.

[Question] We realize the complexity of the problem, so that let us not consider as basic the topic of housing....

[Answer] Data on increased number of housing and housing area per capita are impressive. The leap toward improvements is obvious. Nevertheless, we are behind countries such as the GDR and Czechoslovakia, which have more than 20 square meters of housing area per capita. We would like the Bulgarian family to have three children yet we are engaged in the mass building of housing which, at best, is for two-children families. Clearly unresolved entirely is also the question of the allocation of apartments. I can tell you, for example, that in my apartment, which is quite ordinary, there are seven of us....

[Question] Is it therefore not a waste for one out of each nine families to have a summer cottage?

[Answer] Such an assessment would be rather extreme. I consider this an accomplishment. For the first time we have been able to count the number of cottages and the data are pleasing. Under contemporary conditions a person should have his own place for relaxation. Let us not forget that there is a link between material and spiritual possibilities, although it may not always be mandatory or simply of equal value.

[Question] We fully agree. We gather that the number of cottages is not increasing exclusively through new construction but also with the help of the family house in the village. Is this not somewhat discouraging, however, in terms of the village?

[Answer] It is not astounding in the least that the majority of the population live in the cities. Fifty percent of all Bulgarian citizens, furthermore, live in cities of over 20,000 people. We are an urbanized society. Let us not forget that along with the expansion of the cities so does the number of former villages which have become cities. If there is anything we must oppose it is not migration in general but the depopulation of some areas in the country. The universally familiar decree No 22 should be fully applied, i.e., the people in these areas should have a livelihood. New jobs are the core of any system of socioeconomic measures. Naturally, we could also speak of living conditions. Huts and mud would hardly keep settlers in a given area. Another major question is that of their relationship with the local residents. We made a special study in this area as well, which will enable us to make more accurate decisions. Let me emphasize that, with the help of some publications, we have developed a rather erroneous idea of settlers. Most roughly, it is expressed with the term "money-grubbers." However, the situation is entirely different. In the majority of cases it is idealists that go to such places and it would be a great pity if they were to be disappointed.

[Question] Let us go back to yesterday's communication. It stipulates that the number of Bulgarian citizens of active age is declining.

[Answer] This too is not unexpected. Indeed, the decline is no longer merely relative as in previous censuses, but absolute as well. Naturally, it is compensated by the participation of people who have reached retirement age. Returning such people to active life is a pleasing and positive fact. It is very important, however, where those people will work and would this have adverse consequences affecting their health, etc. On the other hand, the decline in the number of people of active age urgently requires serious considerations and actions aimed at the intensification of public production and the faster and more daring application of the achievements of scientific and technical progress in production practice. In this sense, here as well, the census confirmed the accurate course charted by the party and the state.

[Question] This was obviously backed by the doubling of the educational standard of the nation.

[Answer] The significant increase in the number of individuals who have reached high educational levels and who, over the past 10 years, have increased by 65 percent, also confirms the democratic nature of the educational system in our country. We shall obtain data on acquired skills and jobs in order to evaluate the real results of the increase in educational standards. It is also true that a substantial share of the population has a below-average educational standard. No country can jump higher than its size. Let me remind you that until 1956 we had a 13 percent illiteracy rate and that the bulk of the population had grammar education. Few countries in the world have been able to accomplish what we have achieved in this area over the past 30 years. Even the introduction of mandatory secondary education does not automatically mean that everyone will graduate and that we will have people with high educational standards. Many years will pass until this system is fully operational. The initial conditions on the basis of which we are reproducing the educational structure of the population cannot be ignored. They also influence the psychophysical qualities of the children. There will always be those who drop out of school and we should work for their realization in society and for broadening their vocational choices.

[Question] The speed at which the public obtained the preliminary results of the census is a compliment to its organizers. However, we do not know very much about them.

[Answer] I believe that what the territorial computer centers, the people's councils and all the others who participated in this huge action have committed an exploit. Whenever someone builds a bridge under difficult conditions demanding total dedication, everyone finds out the name of the hero or the heroes. No particular noise was made concerning the work of the census takers and this work was ignored. It seems to me that they deserve better for everything they were able to accomplish.

[Answer] The folders in front of you probably contain curious facts which have not been included in yesterday's communication....

[Answer] What you are looking at are data from the okrugs. Indeed, these folders contain curious things and all of them will be officially published after we have finished with processing the data. Let me emphasize that for the first time the census was paralleled by an entire system of preliminary studies covering migration, jobs, individual problems, relations between town and country, the health status of the population, and so on, the results of which will be made public as well. They will provide us a comprehensive description of the Bulgarian people today.

[Interviewer] Professor Minkov, thank you for your responsiveness.

5003
CSO: 2200/67

UNRESOLVED SOCIAL PROBLEMS IN AGRICULTURE EXAMINED

Sofia POLITICHESKA AGITATSIYA in Bulgarian No 19, 1985 pp 22-26

[Article by Docent Miladin Shaturov, chairman of the Trade Union of Agriculture and Food Industry Workers Central Committee: "Motive Force of Progress; Social Aspects of the March Plenum"]

[Text] The tasks in the area of agroindustrial production were concretized at the March plenum on the basis of the global party strategy of accelerating scientific and technical progress, as formulated in the speech by Comrade Todor Zhivkov at the February 1985 BCP Central Committee Plenum. The plenum's decisions are a comprehensive target program "...for the intensive and stable development of agriculture and the food industry, on the basis of the best achievements of scientific and technical progress."

The plenum, which adopted a comprehensive approach, paid great attention to the solution of the social problems facing agricultural workers. This approach is necessary, as Comrade Todor Zhivkov emphasizes, in order to convert social policy into "an active factor, a motive force for the development of the material and technical base and economic intensification." The essence of the party's general line "Everything in the Name of Man and Everything for the Good of Man" is being implemented through the comprehensive concern to meet the people's material, spiritual and social needs at each specific stage in our development. Radical changes were made in the social area and in the status of agricultural workers on the basis of the historical accomplishments in our economic development which followed the April 1956 BCP Central Committee Plenum. One of the fundamental principles governing the party's April social policy is the gradual equalization of working and living conditions of the working class and the agricultural workers, aimed at developing a socially homogeneous society within the historical boundaries of mature socialism.

Tremendous accomplishments were achieved with the help of this policy. Following are some data:

In 1965 wages per person employed in agriculture had reached 59.2 percent of the average annual wage in the remaining sectors and activities, and 57.5 percent of the average wage in industry. In 1983 the average annual wage per agricultural worker was 90.1 percent of the average for the other sectors and activities, and 85.4 percent of the average wage in industry. Adding to this the income from the private plots and other sources, income per agricultural family member exceeds the national average.

Our accomplishments in social insurance are of historical significance. After 1975 agricultural workers were offered virtually equal status with the other categories of working people in terms of retirement pensions, aid for temporary disability, maternity and child care.

Working conditions in agriculture are improving steadily.

Since the creation of the NAPS [National Agroindustrial Union] the state and the economic organizations have spent nearly 1.5 billion leva on the social development of labor collectives in agriculture and the food industry. More than 2,000 farming and machine parks were improved, cafeteria facilities expanded and transportation and consumer services to agricultural workers are improving.

This, however, does not satisfy us. The March BCP Central Committee Plenum formulated with great concern unresolved problems in the social area as one of the main prerequisites for manpower reproduction in agriculture and the food industry.

Which are these problems?

The first applies to the grave contradiction between new equipment and technology and the level of manpower training. No more than 10 percent of people employed in agriculture have higher or secondary training; more than 79 percent have primary school or even lesser training. No more than 28.5 percent of performing cadres are highly skilled and the number of unskilled workers is almost the same. In 1982 there were 1,314 unfilled positions for specialists with higher training although more than 4,800 university graduates with agricultural training were employed in other sectors and activities.

The age structure of the manpower is continuing to worsen and a critical situation is already developing in some areas. On a national average, more than 41 percent of those employed in agriculture are over 50 years old and only 12.6 percent are under 30. The main factor for this situation is the continuing drain of young and skilled manpower and the unwillingness of a significant percentage of young people to prove themselves in the field of agriculture.

The study of the reasons for this state of affairs and numerous sociological studies have indicated that the main knot in which problems of manpower reproduction and stabilization are entangled that of working conditions and wages.

The share of hard physical, manual and unattractive labor in this sector remains high. Despite achieved successes, living conditions in many livestock farms, farmsteads and repair workshops remain poor. Shelters and other facilities for hygienic work are unavailable in the fields. The problem of commuting to places of work is becoming aggravated; the range of cafeteria amenities and food distribution in the fields is unsatisfactory.

Another reason is related to the regimen of work and leisure time. About 40 percent of agricultural workers have converted to a 5-day work week but with a number of deviations; shift work in mechanization and animal husbandry is being applied too slowly.

Some problems in the field of wages have become apparent in recent years. In some cases wage standards are no longer consistant with the complexity, difficulty and social significance of the labor invested. Practical experience indicates that the lengthy and essential deviation from the socialist principle of equal wages for equal labor within the framework of the entire society, bearing in mind the general manpower shortage, intensifies its uncontrolable shifting from some sectors to others.

Some laws in the area of state and social insurance do not take sufficiently into account the specific features of farm work, it's seasonal nature above all.

As we can see, we have already covered a significant portion of the way to shaping a socially homogeneous society. Now, however, we must take a new step in this respect in order to stop some negative trends in manpower and agricultural reproduction.

One range of problems will be resolved with the technical retuning of agricultural production. The use of new equipment and other means of production and the application of essentially new technologies and organization of production and labor will, in addition to their substantial economic results, have important social consequences. The amount of heavy physical, manual and unattractive labor will diminish and its creative nature will be increased. On the other hand, however, this formulates new requirements and a new approach to upgrading cadre skills. This process must be uninterrupted, comprehensive and conducted on a high scientific and practical level.

Efforts to upgrade farm worker skills have intensified in recent years. In 1983, for example, more than 180,000 farm workers attended skill upgrading courses and schools. The figure is substantial in itself. However, considering the major lagging, such accomplishments are unsatisfactory. Furthermore, more than 82 percent of the students attended them to refresh their knowledge rather than to upgrade their skills. The skill level of a significant percentage of mechanizers, livestock breeders and working people in other basic farm skills remains unsatisfactory. This indicates that under the guidance of the party bodies and organizations, the economic managments of the trade union organizations and the Komsomol must develop a real movement for decisively upgrading the skills of agricultural workers. In the opposite case, the gap between the possibilities of material facilities and scientific and technical accomplishments, on the one hand, and the level of skills of the manpower, on the other, will increase with all the negative consequences that this entails.

The time has also come to apply a rating scale in crop growing, thus creating the necessary incentives for skill upgrading.

Some laws regulating wages of some farm worker categories must be amended comprehensively, attentively and substantiatedly. It is necessary, above all, to review the situation of mechanizers, whose wages in recent years have fallen behind those in some other sectors requiring identical skills and offering similar working conditions. This equally applies to crop growing workers performing manual work. Naturally, in the future as well, the amount of wages will remain most directly related to labor results, within the limits of the self-support of economic organizations and brigades and the skill level obtained by the individual working person. The mass application of various types of piece-rate work does not eliminate the need to improve the wage scale, for the piece-rate tariff must be based in all cases on the same wage rate in order to make the labor results of piece-rate workers comparable.

Other problems related to living conditions and work and leisure time regimes brook no delay. As early as the 9th Five-Year Plan, the necessary resources must be allocated to resolve the transportation problem, to improve the farmsteads and livestock farms and to create normal living conditions in the field. Currently all such problems are being discussed on different management levels and solutions are being sought. The main problems, however, related to living conditions are in the hands of the economic and trade union organizations and labor collectives. This is also indicated by past experience. Tremendous work on creating good living conditions has been under way in Tolbukhin Okrug for more than 10 years. An ambitious program was formulated and is being implemented under the guidance of the okrug PCB committee, which has contributed to changes in living conditions in animal husbandry and for most of the mechanizers. Successes have been achieved in production and in the social area in each okrug and APK [Agroindustrial Complex], where concern for production starts with concern for the first production force--the people.

The most immediate tasks in this respect are the following: improving working conditions in machine and farm centers, livestock farms and other work places; expanding the range of cafeteria feeding (providing hot food during the intensive farm season); decisively improving transportation to and from places of work; equipping livestock farms and farmsteads with sanitary filtration; ensuring the availability of mobile and stationary field shelters; improving work clothing and means of personal protection, from the functional and aesthetic viewpoints. In accordance with stipulations and the characteristics of agricultural production, converting to a 5-day work week and shift work.

Considerable efforts have been made in the past few years to expand the "High Living And Servicing Standards In Each Labor Collective" movement. Very good results were achieved by the brigades and APK in Lyaskovets, Tervel, Bregovo and others. All of this has been accomplished by the collectives themselves. The work place of the labor collective is like its home and life in it will be the way the collective structures and maintains it. It is neither possible nor correct to expect the solution of such problems to come from superior bodies and organizations. The real way is to eliminate the major disparities in working conditions between agricultural workers and the other categories of working people through the efforts and means of the labor collectives themselves. This increases the requirements facing economic and trade union managements as the organizers of the labor collectives.

At this stage, the social development of agricultural workers raises important problems also in terms of enriching the spiritual life of agrarian labor collectives and in the villages. Our achievements are tremendous but do not satisfy us. Observations indicate an alarming trend of disparity between material possibilities of individual agricultural workers and their spiritual interests. The requirement of molding a comprehensively developed individual demands the steady enrichment of spiritual life in collectives and villages. Exceptionally useful in this respect are the activities of the people's reading rooms, trade union houses, professional and hobby clubs, sporting and tourist organizations, and the intelligentsia in the countryside. Today we must coordinate even more closely their efforts for linkingmore closely their activities with those of agricultural workers and to concentrate, above all, on the brigade collectives. Here a rich spiritual life must be led and production-economic, social and spiritual interests must be satisfied in a state of dialectical unity. It is only thus that these collectives will become true socialist farms, creators of material and spiritual goods, implementing the party plans for the intensive and stable development of agriculture on the basis of the peak achievements of scientific and techinical progress. This will also help the people to become comprehensively developed individuals, citizens of a developed socialist society.

5003
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AMERICAN MASS CULTURE SATIRIZED

Prague TRIBUNA in Czech 23 Dec 85 pp 10-11

[Article by Jan Beran: "What Exactly Are They After?"]

[Text] For years the West has been trying to convince us that we are missing a lot by pursuing our own socialist cultural activities and opposing the "life-bearing" winds from the West which, as everyone knows bring only the best and most of everything.

We have used the term "convince" but apparently even in a simple matter like interpreting a simple word, we do not understand each other. The fact of the matter is that when he opposed these winds and continued to pursue that socialist culture of ours, they began "convincing" us that we needed this or that for our economy, that we had to (!) buy this or that film, that we must allow distribution of this or that periodical and even permit the American Information Service, USIA, to open an office in Prague. Well, here we do not call that "persuasion" but rather coercion and also blackmail.

Many places in the world have had rather bad experiences with the USIS centers (both the right and left hands of the CIA), as we did before February 1948. So, this did not work for them.

Simultaneously with all the above, they kept slandering us -- and do so to this day -- calling us some sort of "cultural desert," a dead arm cut off the mighty flow of world culture, etc., etc.

Sometime one has to wonder what this is all about.

As we know them from statements, such as yesterday "we will deny them everything and they will perish," or today "we will eradicate them as a historical error," we might rather expect that they would gladly wait until the "desert" overwhelms us or that we perish on that "dead arm." Strangely enough, this is not the case. At times its seems that they would like to suffocate us in that "cultural" embrace. The cultural forum in Budapest brought remarkable testimony of this. It is truly touching how some of these "cultural ambassadors" from beyond the sea would like to, whether we want it or not, teach us something in the field of culture and elsewhere. They fail to understand that the money they flaunt still reeks of blood, even today. They fail to understand that at the time their forefathers, in complete unity of purpose, were massacreing the Indians, our predecessors were already busy creating many cultural values.

When we first read in "Das Kapital" about the cruel dawn of the capitalist era, discovery of the gold and silver mines where the proletariat suffered, now certain "humanists" enslaved the native populations and buried them alive in these mines, how with the accumulation of capital and industrial development, the neoprotestant puritans offered bonuses in their legislative bodies for Indian scalps, and the British parliament (!) feted those who expropriated the Indians through a right given them by God and nature! We could not believe our eyes when we read about all that. For we have already seen many of the Hollywood westerns of the period, including those with Reagan in them, and -- lo and behold -- there everything was quite different.

According to those films, covered wagons rode peacefully over the prairie and hills toward new homes, men and women gazed at the western horizon with hope, looked forward to future harvests, debated what they will plant, children played with their dogs which they had brought with them. Campfires resounded with mournful songs of old Ireland, Germany, France and who knows what other countries. A Scottish blacksmith O'Hara and an Italian seamstress Petronella Campuccini just pledged that they would be married by the pastor on arrival. However, while these two and others were spinning their plans, the Indians surrounded them from all sides, and amidst their yodelings, scalps and whole heads were falling, wagons and property aflame, and eventually all the pleasant planning came to an end at the torture stakes. When all this was brought under control and the treacherous Indians were slaughtered or herded into reservations, there was nothing but song through hill and dale and the sound of hoofbeats. A few evil cowboys or farmers were wiped out by sheriffs, heroic gunmen and Judge Lynch, while other young couples were falling into each others arms in bliss, especially if the land they inherited from their grandfathers was blessed with gold nuggets, oil or diamonds.

In brief, everything was nice and smooth, we know this from the originals, as well as parodies. This, however, was not an innocent game but the dawn of a new era, the era of real "mass culture!"

A lively stream, springing from up at the speed of the scientific and technological revolution and the "technotronic" age. A nice little present for civilization from America.

Well, I had better stop improvising, lest you begin to suspect me of desperation. It is, therefore, better that I revert to the "classics." Let us begin with the well-known Mr. Zbigniew Brzeninski. There is a classicist and expert on everything, including "mass culture."

"England gave the world the parliament," he wrote in his super opus on America between two ages, "France donated liberty, equality and brotherhood, while America's contribution was the scientific and technological revolution and mass culture." He was not alone in this, there were and are others who do not lag far behind, such as Bell, Aron, Adorno, McLuhan, Marcuse, Rosenberg, Rostow, Fromm, etc.

You can see that if we devoted even a paragraph to them all, we would soon run out of space. Let us, therefore board Mr. Ray Bradbury's spaceship and explore the future with him. "The twentieth century? It was getting tighter and tighter in the world. Some sort of universal unrest broke out. People were constantly rushing somewhere, the roads were clogged. They became gasoline nomads. The cities turned into tourist camps, people into tribes of gypsies. The tempo was increasingly faster. Books gradually became loaded weapons. Producers of information, publishers, editors, step by step, eliminated everything that was useless, redundant, and not to the point, as wasteful thought. Books were becoming smaller. Abridged editions, extracts, let us not waste time. The share of the spoken word on radio and television was getting smaller. Let us, instead, get to the point and the outcome quickly. Tales were retold more briefly, extracts extracted. What about politics? A headline, one or two columns, eventually only sentences. Twist the human in a hurricane of impressions, interests, emotions, constantly new experiences. More food for the eyes: more films, more picture books (Click, Pick, Boom, Pink, Clop). Digest everything, wring it out and then do it again. Play to the human with the roar of motors, jets, motorcycles, racing cars, deafening music, screams of tortured victims. More sports shows, games, parties, festivities. More fun, more excitement and other such things. Away with thought, protect the human from such labor, from intellect and philosophy. More narcotics, pornography and idiotic contests, and humans will have the impression they are smart and educated. Protect us from people who through their opinions, theories, ideas and thoughts would bring misfortune on us, destroy this happy world of today. Destroy that weapon, that book in your house and your neighbor's. Burn it! And if the neighbor does not like it, burn him and his house down too, after all, what is he good for?"

The American writer of fantasy novels called the book from which he has just quoted **"Fahrenheit 51", the temperature at which paper** burns. In this novel, both thought and books are destroyed by specialized units of firemen.

The writer of these lines cannot possibly name the thousands of such "perpetrators" of mass culture and their masterpieces. In any event, they will be long forgotten in the twenty-first or twenty-second century. One can, however, call them what best describes them, namely, manipulators, falsifiers, psychological warriors and ideological diversionists.

In some respects, Bradbury's fantasy has alreday become reality in this century. It remains only to say that the fairy tales of the advent and dawn of the capitalist era are presented in contemporary capitalist mass culture in a way which is really closer to the havoc raised by the capitalists, as described by K. Marx in "Das Kapital," at least in the sense that it demonstrates how the capitalist system is able to deform the human being. We are indeed not speaking of the works by authors of progressive traditions in the West, who, naturally, are not afforded much opportunity by the mammoth publishing houses spewing out hundreds of titles for "mass cultural" consumption.

Let us now together imagine that the comrades coming after us find this "documentation" of what goes on in America, that they will see beings looking like humans shooting at each other, stripping each other's skins, stabbing one another in the back or heart, throwing each other from cliffs or roofs, burying each other alive, all this under the influence of some substances they ingest in liquid or powder form, with or without smoke, they steal from pockets, safes or homes, while dancing around jubilantly over piles of valuable paper, multicolored stones, yellow metal, etc.

But wait a moment, I forgot to mention what the proponents of this type of "mass culture" think about it themselves. They claim that it represents the "sum total of consumerist values, offered to the public with the help of mass communication means under the conditions of a technical civilization," as expressed by G. Friedman. "It makes no difference whether this occurs under the slogan of democracy or dictatorship, in planned economies or unplanned," adds E. van den Haag.

How they would love to convince the world (and us, as well as themselves) that "we need not have any scruples, we are all the same, this is all part of human frailty, it is the fault of neither side because it all stems from technology, electronics, exposure of nuclear secrets, chemistry, biology, etc."

And who in the world can stop technological progress? It allegedly has beneficial effects outside of life itself.

This view was crowned by a certain lady, when at a dinner given by the British government she declared, glass in hand ready for a toast: "To halt nuclear testing, testing of biological weapons, missiles, lasers and orbital bombs, would mean abandoning scientific and technological progress." This was six days before the meeting of President Reagan and M.S. Gorbachev!

This then is the results of the "beneficial influences of mass culture."

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East Europe Report

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AGRICULTURE POLAND

EFFECT OF ECONOMIC REFORM ON PRIVATE FARMING

Warsaw DZIENNIK LUDOWY in Polish 19 Nov 85 p 3

[Text] Great hopes for an improvement in the condition of our economy along with the creation of a climate favoring further economic development and raising the standard of living of our society are placed on the economic reform that has been implemented for several years now. A consistent implementation of the reform is a prerequisite for extracting the economy from an extremely difficult situation.

By itself the reform is not going to create any new material substance or any new values. The economic reform aims primarily at the sphere of economic management. In simplified terms, it is contingent on the restriction of the so-called compulsory-directive (administrative) managerial methods while expanding economic methods, i.e. exerting an influence on enterprises, cooperatives, methods, i.e. exerting an influence on enterprises, cooperatives, farm collectives, workshops, etc., by means of economic instruments, such as prices, credits, taxes, allotments, interest rates, etc.

As these measures are carried out, the role of the market grows in setting prices, production level and structure, and also in other economic decisions made by economic units. It is assumed, and rightly so, that by means of economic instruments it is easier and better to stimulate and, as a matter of fact, force improvements in economic efficiency than by means of administrative measures.

However, a considerable expansion of managerial freedom by economic units must not entail the unleashing of unwanted economic processes. Greater rights are as a rule linked with greater responsibility. Hence, greater economic independence of farming units calls for intensified control of their activities by the state, particularly in the area of production, compliance with ecological requirements, and in a general concordance with overriding interests of the state and society.

I feel that private farmers understand better than other farmers the essence of the economic reform, because they have been farming for a long time in accordance with its principles, which is the principles of the three "esses": self-management, self-control, and self-financing. Hence, the direct effect of the reform on private farming is smaller than on state farming, for instance.

As an afterthought I might add that thanks to the considerable loosening of the compulsory-directive corset in the management of state farms, these farms were able to achieve substantial improvements in their economic results.

The economic reform does not violate the essence of private farming, nor does it substantially alter the principles of its operation, particularly the rules for making production decisions and financing by the farmer. However, this does not mean that private farming is exempt from the effects brought about by the reform, nor does it permit the farmer to watch indifferently its progress as it is implemented in the national economy. On the contrary, the implementation must remain the topic of the farmers' watchful observation and interest, including their political and socio-professional organization.

The economic reform will have an effect on agriculture, which means it will help to realize the farmers' goals and economic interests to a greater extent than it would seem at first glance. Moreover, the statement that in this day and age nonfarm divisions of the national economy are instrumental in agricultural development is a mere truism, and this is not cogent about the industry. Besides, while recognizing the undeniable link between reform and productive-economic results of nonfarm divisions, we may postulate that the implementation of the reform in those very divisions, especially in the industry of production resources for agriculture and in the food industry will effect not only the supply and cost of food products, but also the shape and efficiency of agricultural production plants. This is why farmers place on the reform well-understood expectations for a greater market supply both of agricultural production resources and consumption goods, which means better quality goods at cheaper prices.

The national economy operates on the basis of its nature as a system of communicating vessels. Consequently, the extent of the reform's implementation in nonfood branches of the national economy defines the progress in overhauling the food economy, hence the development of agriculture itself.

It is safe to assume that the true effect of the economic reform on private farming will be multifarious.

The importance of economic instruments in agricultural management will continue to grow. By the same token, the economic reform also means a deviation from the process of price controls and the allocation of greater resources to agricultural production. The cost of those resources will depend on to an ever greater extent on the market, being the outcome of the ratio between supply and demand. Of course, the role of other economic instruments will increase, too. The deviation from the process of price controls and distribution should also help to reorient offices handling actual farm servicing, eliminate waste of farmers' time that presently occurs in those offices, as well as at purchase agencies of agricultural products. After all, such time may be used more profitably for direct production activity.

Streamlining the area of agricultural production services and industries working in support of agriculture, streamlining the agro-nutritional industry to operate in line with the principles of the reform should help to coalesce their economic interests with the interests of agricultural producers. In other words, the influence of non-agricultural economic units on private farming will be enhanced. Consequently, the economic output of the farmer will be more dependent than in the past, be it merely in the price area, on agricultural factors. Then, on the one hand, only high-yield and high-income private farmers will become attractive purchasers of resources of agricultural production, and, on the other hand, only such type of agriculture can ensure a sufficient, high-quality and moderately priced supply of agricultural products for further food processing.

Subsequently, we may expect an intensification of the "incorporation" process of private farming into food chains, with well-defined technological, qualitative, and economic patterns. This will affect in particular such phases of those chains, as agricultural production services, agricultural turnover, preservation, and the agro-nutritional industry. This sort of situation will create certain restrictions in decision-making for agriculture, though it will hopefully release new creative forces to push ahead the agricultural progress. In the context of inexorably intensifying processes of a material integration, the primary factor of importance for farmers is not to see their strength sapped in contacts with the naturally stronger and better organized industrial partner. Hence, any changes in the organization area of industries working together with agriculture, especially the food industry, will have to be closely monitored by farmers and their organizations. In this context, among other thing it will be presently important to ensure that trade associations in the food industry, both compulsory and voluntary, are not converted into permanent monopolistic organizations dictating market conditions to both farmers and consumers. If we are unable to prevent such a development, the common cause of economic interests of farmers and workers in the food industry will be violated, and we will have to face all further negative consequences of such a situation.

The economic reform creates new demands in the field of long-wave transformations and adjustment processes in private farming. Those transformations and processes call for an accelerated tempo.

In this regard the situation calls for both transformation of the agrarian structure and a technical modernization of agriculture, as well as for creativity and implementation processes of a biological and organizational-technical progress. We must bear in mind that a consistent implementation of the principles and regulations of the reform will constantly subject to both economic and social criteria those principles that are assumed to be favorable for agriculture, such as the principle of income parity, for one. This is because the reform calls for a broader and deeper support of political establishments by economic activities, and by shoring up such establishments by economic means. Hence, new demands are imposed on farmers and their organization with regard to a rank-and-file drive building up inside so that it may effect transformations in the scope of private farming. Yet, all this must not entail a relaxation either of the entire national economy, or, moreover, relieve the government from its responsibility for the future destiny of private farming.

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12650/7687
CSO: 2600/157

BRIEFS

CSSR RESEARCH, PRODUCTION COOPERATION--East Berlin (ADN)--On Tuesday [22 January] Horst Tschanter and Josef Voracek, deputy chairmen of the GDR-CSSR Joint Economic Commission and deputy chairmen of their countries' State Planning Commissions, started deliberations in Berlin on the development of economic and scientific-technological cooperation. They discussed steps for further deepening cooperation in science and technology as well as for achieving specialization and cooperation in research and production. They also studied possibilities of increasing mutual commodity exchange. [Excerpts] [East Berlin NEUES DEUTSCHLAND in German 22 Jan 86 p 2] /9604

GDR-YUGOSLAV PROJECT COORDINATION--Belgrade (ADN)--With coordinated projects for deepening their economic relations, the GDR and Yugoslavia are following the path into the just beginning new 5-year plan period. The most recent agreements for the period up to 1990 are based on the results of the official friendship visit by Erich Honecker in October 1985 to the SFRY. The joint efforts are focused on increasing the scientific-technological level of products and on the application of highly efficient technologies. [Excerpts] [East Berlin NEUES DEUTSCHLAND in German 11-12 Jan 86 p 5] /9604

CSO: 2300/200

METALLURGY MINISTER COMMENTS ON KEY TASK PRIORITY

Prague HOSPODARSKE NOVINY in Czech No 43, 1985 pp 1, 6

[Article by Eng Bohuslav Najbrt, CSSR minister of metallurgy and heavy machinery]

[Text] Supplier organizations of our department have been participating through direct deliveries in the building of 213 construction projects this year--priority constructions of the state plan. In most cases these are constructions which will serve manufacturing. The entry into this year can be characterized, as far as the technical equipment for the priority constructions is concerned, first of all by the fact that we entered it with fewer unfulfilled deliveries from the previous year then has been the case in the past. In 1982 the plan for putting facilities into operation was fulfilled up to 72.5 percent, a year later up to 88.2 percent, and last year up to 94.7 percent.

Everyone Has His Own Task

On the other hand, however, adverse weather marked by waves of hard frosts in January and February 1985 had a negative impact on the progress of work on priority constructions. This was evident no only in disruptions of assembly work, but also in delays in construction readiness to begin such work. Also, the delays of assembly work by some of our suppliers led in some instances to deadlines for equipment readiness not being met, most of all for the economic production unit "Electromont," whose organizations provide high voltage power distribution systems and technological process control systems.

Some investors, obviously influenced by several consecutive mild winters of previous years, are not making adequate preparations for winter to ensure that not only the assembly work of equipment, but also the work by subsequent suppliers need not be substantially restricted in case of low outdoor temperatures. On the other hand we recognize the fact that keeping down consumption of high grade fuels, which are often used for this purpose, considerably limits the investors' options.

This is also why we cannot agree with the opinions of some workers of our supplier organizations, who demand excessive winter preparations. They usually rationalize it by insisting that if they were not to ask for substantial winter provisions in time, they would not get even that which is absolutely necessary. However, such an approach results in disparities among those participating on the construction, that is, the investor, the general contractor, suppliers of building materials, suppliers of equipment, including their sub-suppliers. In addition, it makes comradely cooperation, which is absolutely necessary for solving problems, more difficult.

To my mind, the greatest potential for improvement lies in timely resolution of problems at the lowest levels of management, which are closest to the source of those problems. Too, it is easier to choose a realistic solution out of several possibilities on the site of the construction itself, rather then bringing it for resolution to the departmental level of the participants concerned with the construction. It is not unheard of that arbitration of conflicts is shifted to superior officials with delays, without adequate information.

We are at fault in that we are not consistent enough when it comes to demanding responsibility from some workers of the general management of economic production units who are superiors of the suppliers of technical equipment. As a consequence, because of the danger of losing time, these issues are not sent back for resolution to the appropriate lower level, and departments are dealing with problems which are not theirs to resolve. In cases, where adopted measures do not prove to be the optimal resolution, considering the situation at the specific construction (where in the meantime quick changes may have occurred), the responsible workers of the department are open to criticism. They, however, often must make a decision based on inadequate data received from the lower levels of management.

Such an incorrect procedure often leads to renewed conflicts and consequently to putting government deadlines for trial runs of facilities at risk. It needs to be said that these undesirable occurrences in capital construction do happen, and it is possible--even if it requires great effort--to track them down, even though they are not always presented as renewed conflicts but as new ones. However, most often they come to light while problems, which were the result of just such unsupported actions, are being resolved.

We at the ministry are aware of such shortcomings. We are, therefore, going to increase our control in this respect, so that we can arrive at specific charges against those responsible, or, as the case may be, direct the general managers to make those charges.

What to do About Billing Notices

They are, however, matters which at present we are unable to influence and which often distort the economic results of a department or individual economic units. In the first place it is the matter of the effect stemming from applying the directive of the Federal Ministry of Finance No. 37/1983 Sb. (Laws of the Czechoslovak Socialist Republic), concerning billing and payment of deliveries for capital construction and geological work. In general, we value positively those provisions of the directive which are designed to enhance the effectiveness of capital investment, eliminate deficiencies which have persisted over a number of years, and increase the level of all managerial and organizational actions in order to achieve an overall improvement in discipline, order, and higher requirements for quality of work.

A far more demanding system of reporting essential requirements for billing for work performed and for deliveries, most of all completed deliveries, which is required by the directive, greatly increased the demands on suppliers of technical equipment. However, this measure also brought about some negative features, to which the suppliers are constantly pointing. For example: although some deliveries have already been used in the construction, it has not been possible toward the end of the first half of 1985 to certify them through the verification protocol as required by the directive No. 37/1983 Sb. These cases concern mostly supplementary operational projects, which hardly any large construction can do without at the present time. Agreements on marketing costs of these supplements cannot be made in time. This matter has to be considered from the point of view of the reasons which caused it. It may concern deficiencies which stem directly from the actions of the executor of the operational projects, which in the case of technical equipment usually is the supplier organization itself. Or it could be deficiencies in the initial projects which are being worked on by the general supplier. For the sake of objectivity I must add, that in the framework of technological assistance, suppliers of technical equipment provide a technological base also for this stage of project preparations.

Most serious are the consequences stemming from various exceptions which were put through in the past by the investors' superior agency, so that they could begin work on constructions before adequate project preparations have been made. The provisions of the above mentioned directive are not responsible, obviously, for the serious difficulties which are experienced by the suppliers of technical equipment; it is the circumventing of the strict regulations that apply for the start-up of mandate constructions.

I have endeavored to show through this example how difficult it is to find the offender in these instances. All such supplementary deliveries naturally result in decreased efficiency of capital investments and clearly prove that it is not possible to make exceptions in allowing construction to begin, especially in the category of priority tasks of the state plan.

We must not forget to mention also some of the other reasons which are involved in the above mentioned unfavorable state of affairs, for example, the fact that final suppliers are late in turning over to the general suppliers certification of tests that were performed, without which the investor cannot show evidence of completion. We have to admit that this concerns relationships among supplier organization of our department as well. But experience shows that to eliminate such seemingly formalistic deficiencies always takes a considerable time.

This can be seen from the way in which reports are made about fulfillment of progress milestones on priority constructions established by directive No. 157/178 Sb., concerning the management of constructions, which was introduced into practice as a previous beneficial step for improving the management of priority construction. A notification that assigned tasks have been fulfilled is turned over through investors' channels to the State Commission for Technological Development (formerly Ministry of Technological and Capital Development). However, throughout the entire length of time that this regulation has been in effect, it has not happened yet that the quarterly notices concerning technical equipment deliveries have ever been complete--every time one or more of the progress milestones are not reported by the investors, even if they had been accomplished. This happens because investors do not give the necessary attention to this administrative process. During a control session, which took place on May 23, 1985 in the office of the vice-premier of the CSSR government and chairman of SKVTIR Dr Jaromir Obzina, DrSc, concerning provisions for guaranteeing implementation of the tasks of the state plan for capital construction and technological development during the first quarter of 1985, another measure was adopted to deal with this problem. The fulfillment of progress milestones has to be confirmed in the appropriate place on the notice not only by the investor, but the supplier as well. But obviously not even this measure will resolve the problem.

Plan and Reality Differ

As in the case of tardy administrative reporting of individual tests, so in the case of meeting progress milestones, what is lacking is basic discipline, and the matter has to be judged accordingly. In both cases the results of the work of the supplier organizations are distorted, and based on inadequate information to central agencies their actions are negatively influenced. In reference to directive No. 37/193 Sb., it is worth mentioning that following discussions of supplier-consumer relations in the coming year, the state plan mandated a greater volume of deliveries than was the case during substantive discussions of the management of individual construction projects in the first quarter of this year. The reason for this disparity is the fact that in the first half of 1984, when supplier-consumer relations were being negotiated, neither the investors nor the suppliers knew the exact volume of deliveries needed.

Again, unconcluded pricing matters were the main culprit. In this instance, naturally, it does not mean a softening of the state plan, because as far as material supplies are concerned, the volume of deliveries required by investors for this year remains the same.

As a consequence of these disparities, considerable complications arise at those construction projects where progress milestones have not been established, and therefore their quantitative achievement is being evaluated toward the end of the year. This is a serious problem, because of the above mentioned 213 priority constructions on which we are participating through direct deliveries of technical equipment for investors, progress milestones for supplier organizations of our department have been established only in 150 of the capital construction projects.

In the case of constructions where all facilities have been put on a trial run, investors are well-disposed to secure from the local branch of the Czechoslovak

State Bank a certificate for the suppliers confirming that this represents a saving. But in the case of constructions which have not progressed very far, suppliers often have to be satisfied with a certificate issued by the investor or by his superior agency (because the investor refuses to acknowledge such a saving to the Czechoslovak State Bank as deductions would follow). It is worth mentioning that a reduction in the volume of deliveries in 1984 occurred only in the case of nuclear power plants consequent on the pertinent resolution of the Presidium of the CSSR Government.

This state of affairs has had an extraordinarily unfavorable impact on the evaluating of quantitative fulfillment of tasks by individual economic production units of priority constructions at the end of the year. This applies mainly to the category of concluded deliveries, which is mandatory according to the plan.

Which Way Into the Future

To close, I shall discuss the accomplishment of work and deliveries for constructions--mandatory tasks of the state plan for the first half of the year in comparison with the same peiord last year. During the first half of 1985 the total volume was 2,678.6 Kcs, which represents 31.8 percent of the annual plan. If we leave aside deliveries for the nuclear power industry, the volume of all other deliveries for priority construction for the first half of 1985 was 1,694.9 million Kcs.

Last year, the overall fulfilment during the first half of the year was 1,842.7 million Kcs, that is 19.4 percent of the annual plan. Not counting nuclear power industry, this amounted to 1,338.6 million Kcs, that is, 28 percent. These figures contain only planned direct deliveries for investors, not sub-deliveries, such as, for example, for suppliers of steel constructions.

The state plan (after certain modifications resulting from approved changes in mandatory construction indicators by the appropriate resolution of the Presidium of the CSSR Government) requires that 77 facilities be put on trial run. This number includes only those facilities which we are helping to build through direct planned deliveries for investors. Not counting facilities for the nuclear power industry, it means 73 facilities. Of those, the state plan requires that 30 be put on trial run during the first half of the year. 22 facilities have been put on trial run within the established deadlines. This includes also two facilities which were put into operation ahead of schedule, which was not until the second half of 1985. Another six facilities were put on trial run with a delayed deadline, but still in the first half of this year. Altogether, therefore, 28 facilities have been completed, that is 93.3 percent. In the second half of this year we are expected to put 45 facilities on trial run.

The demanding nature of the tasks connected with guaranteeing that priority tasks of the state plan are implemented, provides room for workers' initiative on construction sites, as well as in manufacturing organizations which ensure the necessary deliveries. We appreciate the complicated work of the investors, because even in the capital constructions of our own department we can see what problems they have to solve.

At the annual general meeting of the Czechoslovak Communist Party, conferences, and all-plenary sessions, the results achieved in fulfiling the priority tasks of the state plan will be assessed. In accordance with the 15th Plenum of the Central Committee of the Czechoslovak Communist Party, evaluation and critical appraisal will be made also of the measures adopted in accordance with economic policies for fulfiling the plan for this year and prospects for fulfiling it in 1986 and subsequent years of the next 5-year plan. Future results which we shall be achieving in this very important sector of the national ecnomy are directly dependent on political and economic actions prior to the 17th Congress of the Czechoslovak Communist Party.

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ADJUSTED VALUE ADDED EFFECTS ON ENTERPRISE ACTION VIEWED

Prague FINANCE A UVER in Czech No 8, 1985 pp 542-548

[Article by Eng Frantisek Bernat: "Effect of Adjusted Value Added on Enterprise Action"]

[Text] In his article "Adjusted Value Added in Engineering and the Creation of Wages Payable" (FINANCE A UVER No 12, 1984 p 816) Eng Alfred Sebek discussed, among other things, the methods of increasing adjusted value added (AVA) or of exceeding its planned volume. He stated that one cannot ignore the method by which savings of certain items of material costs are achieved (for example, costs of repairs which enterprises justify mainly by referring to inadequate repair capacities of the suppliers). "The opportunity to calculate wages on that basis according to AVA must be regarded as totally unjustifiable. After all, this is a completely unmerited increase in AVA as well as unacceptable maintenance of capital assets."

Obviously A. Sebek had in mind a failure to make necessary repairs of capital assets. In this concept one may fully agree with him, or as the case may be, one may support his view, because the lack of repairs will also be reflected in unearned increases of profits and in accumulation of additional undeserved resources of wages payable (at present the movable factor of wages payable), or because of the gain of other material advantages, such as allocations to incentive funds. This is an old problem in the management of enterprises which occasionally prefer to report good results now rather than to ensure long-term objectives.

The question whether this is a case of neglect in making necessary repairs of capital assets, however, is linked with a series of problems and is not as simple as it may appear at first glance. It is a fact that lower initial repair costs (reported in accounts in accounting class 3 and constituting a factor of material costs in the calculation of AVA by the method of deduction) may be connected--if we set aside potential consequences of price changes--in particular with:

--better general care for capital assets (including the so-called maintenance) and with a better quality of repairs, which make it possible to postpone the repairs for later and thus, reduce repair costs;

--with repairs made by the enterprise instead of repairs previously made by the supplier, or vice versa.

We shall attempt to take a closer look at the latter of the above-mentioned problems in the next part of our article.

Effect of the Method of Repairs on AVA and on Wages

Let us assume that the enterprise has two alternatives: to contract the suppliers for the repairs, or to undertake the job by its own work forces. Naturally, its decision will be reflected in the amount of AVA or in its internal structure, as shown in Table 1.

Table 1.

	Repair made	
	By the supplier	By the enterprise
Total outputs of the enterprise	1,000	1,000
Costs of materials (without depreciations) and services of nonmaterial type (not including the item below)	650	650
Costs of materials for repair	50	20
Adjusted value added	300	330

This diagram demonstrates that the enterprise may raise its AVA by 30 if it reduces by 50 the costs of repairs made by the supplier, however, it must pay 20 for the materials required for the repair which it does with its own forces.

If the enterprise's standard of the basic factor of wages payable is set, for instance, at 40 percent, its wages payable are increased by 30 x 40 percent = 12, if it does the repair on its own. Which method of repair will be enterrpise choose under such circumstances, if it takes into consideration only the effect on wages (which is very frequently the decisive criterion)?

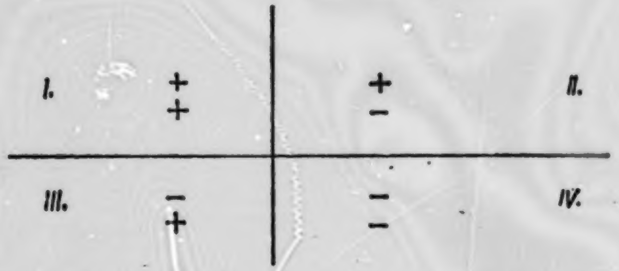
The most important consideration is how high are the wages required for the repair at the enterprise's own cost. If the repair demands wages amounting to 15, the enterprise "loses" 15 - 12 = 3 in wages. The enterprise would have to save this amount on some other wages (for instance, by cutting down the rate of growth of average wages or by rationalization measures). Thus, the enterprise would hardly opt for such a repair job, but hire the supplier for the job.

If the repair done by the enterprise itself calls for wages amount to 10, the enterprise gains 12 - 10 = 2 in wages. Wages payable of the enterprise will increase by that amount over the necessary costs for the repair, which the enterprise may use, for example, to raise average wages. The enterprise will not hesitate to undertake the repair by itself.

How will the supplier react? Let us assume that the wage standard amounting to 35 percent of AVA is stipulated for the supplier and that the repair contributes an amount equal to 28 to AVA. Thus, by making the repair, the supplier earns wages payable amounting to 28 x 35 percent = 9.8. So long as the repair calls for lower wages, for instance, 9.5, the supplier is interested in undertaking the repair job. On the other hand, if the repair requires wages in the amount of 11, the supplier will refuse the job, because he would lose 11 - 9.8 = 1.2 in wages.

We can see that the interests of the enterprise and of the supplier may conform as well as disagree in deciding about the repair job. We may express this with Figure 1, which is divided into 4 quadrants, where the upper symbols signify the interest of the enterprise in having the repair done by the supplier, and the lower symbols the interest of the supplier in undertaking the job.

Figure 1.



Quadrant I respresents idential interests on the part of the enterprise and of the supplier. The enterprise is interested in assigning the repair job to the supplier, because for it it would mean a loss to undertake the repair; the supplier is interested in the job, because he will earn more in wages than the amount of his costs for the wages for the job.

Similarly, in quadrant IV the interests of the enterprise and of the supplier in the repair are identical, however, if compared with quadrant I, the enterprise is interested in doing the repair by its own forces and not by the supplier, while the supplier refuses to accept the job, because by doing it he would suffer a loss in wages. Repairs made by the enterprise itself are advantageous for both partners.

In quadrant II the interests of both partners differ. The enterprise is interested in having the repair done by the supplier, but the supplier is unwilling to accept the job, because it would not create wages payable needed for that particular job. The position of the enterprise with respect to the supplier is weak in this case; the enterprise must undertake the repair by its own forces, even though that will lead to problems in terms of wages.

Neither is the situation in quadrant III favorable. The enterprise wants to do the repair on its own and not to assign it to the supplier (for whom it is advantageous as concerns wages), while conversely the supplier tries to undertake the repair job (he would be at advantage in terms of wages). The position of the enterprise here is decisive--it will do the job on its own.

The above-mentioned division of possible instances of agreement and conflict between the interest of the enterprise and of the supplier concerning repairs may also be expressed numerically. For that purpose we shall use the data on wages from the preceding text.

In Figure 2 the first line in each quadrant represents the amount of wages required for repair done by the enterprise itself (15, or 10); the second line expresses wages necessary for repair done by the supplier (o.5, or 11). Symbols + and - express (in conformity with the preceding diagram) the interest of each partner in having the repair done by the supplier. The figures in parentheses express the contribution of the repair to wages payable of the enterprise or of the supplier.

Figure 2 clearly shows that the conformity of interests of both partners in quadrants I and IV makes it possible to reduce the wage demand for the repair by 5.5, resp. by 1.

Figure 2

I.

For the enterprise (12)	15 +
for the supplier (9.8)	9.5+
Difference	5.5

Agreement that the repair be done by the supplier.

Wages saved 5.5

II.

For the enterprise (12)	15+
for the supplier (9.8)	11-
Difference	4

The enterprise wants the supplier to do the job, the supplier refuses. The enterprise does the repair for 15.
Wage loss 4

III.

For the enterprise (12)	10. -
for the supplier (9.8)	9.5-
Difference	0.5

Enterprise intends to do the job by its forces, the supplier wants the contract. Repair done by the enterprise for 10.
Wage loss 0.5

IV.

For the enterprise (12)	10-
for the supplier (9.8)	11-
Difference	1

Agreement that the repair be done by the enterprise for 10.

Wages saved 1

In quadrant II, where the enterprise itself is forced to make the repair at wage costs equal to 15, there is an unnecessary loss of wages amounting to

4 only because by doing the repair under contract the supplier would make the repair at a lower wage cost (11) than the enterprise (15), but he would lose money in wages equal to 11 - 9.8 = 1.2, and therefore, he does not accept the job.

In examples presented in quadrant III there is a wage loss equal to 0.5, because the supplier could do the job at lower wage costs (9.5) than the enterprise, but the enterprise will do the job on its own, because then it earns from AVA funds in the amount of 12, as compared with the requirements for the repair amounting to 10. This solution is advantageous for the enterprise, although the enterprise must pay more in wages than the supplier.

In terms of the repair conflicting interests of the enterprise and of the supplier, represented in quadrants II and III, may thus lead to public losses in the wage sector.

This conclusion applies only under the above-mentioned assumptions concerning the amount of wage standards, the effect of the repair on the amount of AVA and on wages required for the repair, both by the enterprise and by the supplier. If the same method (characterized by the four quadrants) is used, but the premises are different, the above-mentioned conclusions may change, as documented by an example from Figure 3, where:

Figure 3.

I.		II.	
For the enterprise (12)	13+	For the enterprise (12)	13+
for the supplier (10.5)	10+	for the supplier (10.5)	11-
Difference	3	Difference	2
Agreement that the supplier do the job for 10. Wages saved 3		The enterprise wants the supplier to do the job, the supplier refuses. The enterprise does the repair for 13. Wage loss 2	
III.		**IV.**	
For the enterprise (12)	11.5-	For the enterprise (12)	11.5-
for the supplier (10.5)	10.0+	for the supplier (10.5)	11.0+
Difference	1.5	Difference	0.5
Enterprise intends to do the job by its own forces, the supplier wants the contract. Repair is done by the enterprise for 11.5. Wage loss 1.5		Agreement that the enterprise do the repair job for 11.5. Wage loss 0.5	

--we leave the wage standard (40 percent) as well as the increase of AVA (by 30) in the enterprise and thus, a contribution to wages payable (12), however,

--we change the wage standard of the supplier from 35 percent to 30 percent and the AVA increase from 28 to 35, and thus, the supplier gains the amount of 10.5 for his wages payable (instead of 9.8); furthermore, we change the wage demand for the repair.

From the example we see that the interests of the enterprise lead to losses of wages in quadrants II, III, and IV.

With different premises the wage loss may occur in all four quadrants, or vice versa--profits in wages may be noted in all four quadrants.

We know of no simple and practical mechanism which would present the development of wage loss stemming from the interest of enterprises in the accumulation of wages payable, because the same wage standard cannot be stipulated for every enterprise, nor can such prices be set that would ensure every enterprise the same volume of wages for all its outputs, derived according to the same standard from AVA.

Effect of Repair Contracts on Efficiency

Thus far we have restricted ourselves to an inquiry about the effects of contracts for repairs (by the supplier or by the enterprise) on the amount of AVA and on wages. Understandably, wage demands are a criterion which does not necessarily express--and often cannot even express--the economic efficiency of repairs. If we deliberately narrow the concept of economic efficiency to costs alone, we may use an analogical diagram to divide various variants into four quadrants.

In quadrant I it is in the interest of the enterprise that the supplier undertake the repair because that is cheaper than if the enterprise itself would do the job. The supplier is interested in the job, because it is lucrative (or above-average lucrative) for him.

The interests of the enterprise and of the supplier are in agreement also in quadrant IV. It is to the advantage of both partners if the enterprise undertakes the job: the enterprise will make the repair at a lower cost; would the supplier take the job, he would either lose or earn less than for his other work.

There is a conflict of interests in quadrants II and III. In quadrant II it is advantageous for the enterprise to assign the repair job to the supplier (if it undertakes the repair with its own forces, it would be more expensive); however, the supplier does not accept the job, because it would mean a loss or below-average profits for him. Therefore, the enterprise is forced to undertake the job by itself and at a higher cost. In quadrant III the enterprise itself does the job (it is not interested in assigning it to the supplier, because that would be more expensive), but the supplier would gladly take the job (because it is profitable, or above-average profitable).

As in the case of wages, so in costs the decision of the enterprise and of the supplier in quadrants I and IV is socially advantageous because the variant with lower cost is used. In quadrant II the repair is done at higher costs than the other partner would charge for the repair job. An analogical case may be that in quadrant III, where the supplier's costs are lower than the costs of the enterprise, and only the profits included in the price of the repair by the supplier render the repair done by the enterprise less expensive.

Such conflicting interests of the enterprise and of the supplier lead to public losses--to outlays of higher costs than necessary. One of the causes of such public losses is the current practice where profits are not included in the costs of repairs done by the enterprise itself and as a rule, not even in administrative costs, while both those items are included in the supplier's price; this drawback may be overcome only by drastically reduced supplier's costs.

At this point one must consider that both the above-mentioned criteria (the wage criterion and the cost criterion) used in selecting the kind of repair must lead to the selection of the same variant. In terms of wages one variant may be advantageous for the enterprise, but in terms of costs and profits it may be disadvantageous. At present approximately 80 percent of wages payable are determined by AVA; even more will be based on AVA starting in 1986, when wages payable will completely depend on the development of the (changed) AVA. The determinant is now and will be in the future that of the consideration of wages before the consideration of costs and profits--before the consideration of economic efficiency. Of course, in specific cases the enterprise will carefully weigh the ramifications of higher costs and lower profits when selecting the variant which in terms of wages is of advantage to it.

Our entire consideration is based on several premises that must be respected, or they may affect the decisionmaking of the enterprises in a fundamentally different way than our conclusions:

1. There are realistic and applicable variants of the selection of the method by which the repairs are done by the supplier or by the enterprise itself;

2. Not only the specific costs of repairs undertaken by the enterprise and by the supplier, but also AVA of individual repairs done by both partners may be determined. Because it is extremely laborious, if not impossible, to determine accurately the amount of AVA in individual outputs (repairs), approximate calculations of ("modified") AVA are sufficient for practical use; such approximate calculations involve only the deduction of direct costs of materials from the outputs (consumption of materials and energy, tools, etc.), or as the case may be, also the deduction of semifinished goods manufactured by the enterprise, and the result is multiplied by a coefficient

which is less than 1, in order to express the undetected costs of materials and of services of the nonmaterial type;

3. Repairs doen by the enterprise itself and by the supplier are of the same quality and their completion requires the same idling period of capital assets which cannot be used while the repairs are under way.

Expansion of the Consideration to Other Economic Operations

Our considerations pertained thus far to repairs of capital assets alone. We may conveniently use the data obtained in that process in other economic operations and thus, determine not only the positive, but also the potential negative effect of AVA on the decisionmaking of enterprises from the public viewpoint.

As regards repairs, there are the following variants: those done by the supplier and those done by the enterprise itself. The conclusions we have reached may also be conveniently applied to cooperation, if the enterprise is able to obtain materials (parts, semifinished products, etc.) from its own production or procure them from suppliers.

Again, there are two socially effective variants: conformity of interests of enterprises either in the production by the enterprise or in the delivery by the supplier. The enforcement of the interests of the enterprise results sometimes in restriction on non-lucrative cooperation, but in other instances in expanded efficient cooperation. Therefore, the rather widespread view that the interest in AVA automatically leads to restrictions on cooperation is incorrect. That is the case only if it is advantageous for the enterprise in terms of wages (or costs).

However, here again are two types of instances when the interests of both partners deviate, the usual consequence being the selection of a variant which is advantageous to one of them, but which frequently means a disadvantage to the public.

The interest of AVA, or rather, in reducing the share of wages in AVA, becomes evident in decisions concerning the range of products. Differences (often considerable) in wage demands--measured by the share of wages in AVA--necessarily exist between products (outputs). Naturally, the enterprise is interested in expanding its production of goods with below-average wage demands and in curtailing the production of other goods with below-average wages. Without closer examination it cannot be said that here the interests of the enterprise always clash with public interests. If the enterprise expands the production which is advantageous in terms of wages and also necessary for the public, AVA positively affects the satisfaction of public needs, must as in the opposite case restrictions of the production which is disadvantageous in terms of wages and undesirable for the public produce a favorable effect. Nevertheless, the effect of AVA is disadvantageous if the enterprise expands a production which is lucrative for the enterprise but of little use for society (thus, the enterprise runs into difficulties with marketing and its unmarketable finished goods are stockpiled), and conversely--and particularly--if the enterprise curtails socially desirable, even essential production which demands above-average wages.

Problems of innovation and technical development go hand in hand with the assortment of goods. New products and new technologies with below-average wage demands (here we stress again: from the point of view of a given manufacturer) are very attractive for the enterprise, and AVA supports their introduction. On the other hand, when products and technologies with above-average demands are introduced into production, wage problems develop, because the enterprise cannot cover higher wage demands for such a production from wages payable which are limited by wage standards--unless wage standards have already foreseen higher wage demands of new products and new technologies. Interests in the amount of AVA may therefore stimulate as well as hamper--even prevent--the introduction of new goods and new technologies, i.e., implementation of R&D.

Other examples of the positive and occasionally also of the negative effect of AVA, due to its use in curbing the wage development, may be quoted. Let us focus our attention, for instance, on rationalization programs. We shall proceed from the premise that they cut labor input, which lowers wage demands--thus, the enterprise obtains additional wages payable in the full amount of the savings. The outcome is the same when costs of materials are cut by rationalization programs: savings increase AVA and wages payable by the same amount, however, multiplied by the wage standard (for example, Kcs 100 saved in material consumption raises wages payable by Kcs 40, if the standard is set at 40 percent). Consequently, AVA exerts far more intensive pressures on savings on wages (labor input) than on savings of material costs and services of the nonmaterial type (and after 1985, also of interest). For that reason, production factors (value added and past labor input) are not interchangeable.

When combining wages and costs of materials, savings of material costs may be determined in some cases by the outlay of higher wages, as illustrated by the following example: savings of materials amounting to 100 increase AVA by the same amount, which in our case raises wages payable by 40; up to that amount it is advantageous for the enterprise to implement rationalization programs. However, if outlays of wages higher than 40, for instance, 55, are necessary to save the above-mentioned materials in the amount of 100, the enterprise would lose an amount equal to 55 - 40 = 15 in wages; an enterprise that would introduce such a rationalization program would encounter problems in the wage sector, although in terms of costs and profits this rationalization is very appealing for the enterprise (costs are cut by 100 - 55 = 45, profits increase by the same amount, and profitability is up).

The trend aimed at improving the quality of goods is increasingly emphatically enforced in all of our national economy. It is therefore appropriate to ask whether--and how--is this trend encouraged by the application of AVA in the management, especially in controlling the wage development. Prices have an important role here--higher for a good product, lower for an inferior product. Thus, of particular importance is premium pricing of technically advanced products and top quality goods, which should increase the share of products of AVA--at least in the transitional period during which this preferential treatment is applicable--and thereby reduce the share of wages in those outputs. Analogically--of course, in the opposite direction--this applies to penalties for technically obsolescent goods and third-rate products.

We shall use another illustration to answer the above question: The enterprise obtains an amount equal to 100 for a better quality product; thereby its wages payable are increased by 40. If the improvement of quality is determined by payments of higher wages, the enterprise is interested from the point of view of wages in the production of an improved product, if the required wage increase is less than 40--and more so if the wage increase is less than that; the difference up to 40 represents premium wages. However, if the improvement of the quality of the product calls for wages in an amount higher than 40, the enterprise will have problems with wages, because it has no compensation for wages amounting to more than 40. It is then logical that the enterprise will not accept the production of goods of better quality, until it succeeds in achieving--by rationalization programs, price negotiations and other measures (adjustment of wage standards, etc.)--a concession saving it from footing the wages for better quality.

There is no need to repeat that we are solving problems in a narrow sense of wages. In reality many other factors, for example, profitability of production assets, the opportunity to increase sales in domestic markets and especially abroad, etc., affect the enterprise's decisionmaking.

We could offer additional examples where the interests of the enterprise which are focused with priority on the acquisition of necessary wages payable, agree or, conversely, disagree with public interests. This involves, for instance, replacement of materials or energy connected with wage demands, purchase of tools and other needs within the enterprise or from outside sources, transportation by the enterprise's own or outside vehicles, outputs of computer technology produced by the enterprise or by contractors, etc.

Ramifications of Changes Scheduled for the Beginning of Next 5-Year Plan

Having excluded interest from AVA as of 1 January 1986, the volume of AVA will be reduced and therefore, standard rates for wages payable will increase. In the same direction, and even more intensively, follows the effect of the cancellation of the incentive wage factor and its linkage with the currently applied basic factor. These changes will also affect our considerations, but from the quantitative, rather than qualitative, point of view.

1. Where we considered the substitution of two production factors--value added (wages) and past labor input (cost of materials), the interests of the enterprise and of the public will become closer in the future, as confirmed by the following example: in the above-mentioned case the rationalization program was advantageous for the enterprise only in that case when the required wages were less than 40; if the wage standard increases as of 1 January 1986, for instance, to 52 (i.e., by 30 percent), even measures that call for wages up to 52 will be in favor of the enterprise.

2. Higher standard rates cannot change a thing in the relations of wage of individual products, but the absolute difference betwen then will increase. If the difference in wage demands between product A and product B is, for example, 44 and 34 = 10, then after the 30 percent increase in the standards

it will be 57.2 and 44.2 = 13. Thus, AVA will affect even more intensively the selection of the assortment of products, innovations, technical development, quality of goods, etc., both in the positive and in the negative sense.

Conclusion

Without any doubt the enforcement of AVA in our management system represents a dramatic step toward more efficient economic operations, including control of wages payable, by intensive pressures on material costs (except for depreciations), on services of the nonmaterial type, and in the future, also on interest. Furthermore, AVA exerts an overwhelming positive effect on decisionmaking in enterprises, if the solution has several variants and if the variant which expresses conformity of interests of the enterprise and of the public is selected.

By the same token, we realize that there is no indicator applicable in our management system, especially in the sector of material incentives, that would not result in unwanted, undesirable, even socially harmful consequences in specific conditions; the same applies to the use of AVA. Again, when using this indicator in our management system, products are divided into those which are profitable for the enterprise and those which are unprofitable--and the range of profitability and unprofitability is the wider, the narrower the delimitation of the contents of AVA.

The objective of our contribution was precisely to use the example of repairs and other economic operations in order to call attention to potential adverse consequences of the application of AVA in terms of wages payable, to help identify these hazards, and to recommend the application of additional measures to reduce to a minimum the risks stemming from the use of AVA, so much more so because with the exclusion of interest from AVA as of 1 January 1986 and after the cancellation of the incentive wage factor new problems will arise, some of them of a positive nature (narrowing of differences in the evaluation of production factors and their substitution) and some negative (greater differences between products in the wage demand indicator gauged by the share of wages in AVA of goods).

9004/6662
CSO: 2400/146

GEORGI INTERVIEWED ON MACHINE TOOL INDUSTRY AUTOMATION PLANS

East Berlin NEUES DEUTSCHLAND in German 10 Jan 86 p 3

[Interview with Dr Rudi Georgi, minister for machine tool and processing machinery construction, by Dieter Brueckner; date and place not given]

[Text] NEUES DEUTSCHLAND: The machine tool and processing machinery industry has, once more, achieved double-digit growth rates for 1985. Congratulations, minister. One can surely approach new tasks in good spirits?

Dr Georgi: The congratulations belong to the 137,000 workers in our 6 combines. It is due to their diligence and skills that our industry fulfilled and exceeded the plan. With respect to net production, we achieved a 10-percent growth, productivity rose 9.8 percent, and there were 11.1 percent more finished products for the population. Significant increases were also achieved by our export efforts, both with respect to the Soviet Union and the other socialist countries and to capitalist nations as well. The combines in our jurisdiction produced around DM 1 billion worth of consumer goods, including supplies for other jurisdictions producing consumer goods.

Daily Performance Raised to 1.5 Plus in Honor of the 11th Party Congress

As pleasant as the figures are, we have no reason or time to bask for long in the successes of yesterday. We do not overlook the fact that the share accounted for by the combines and enterprises in the total good results was quite variable. Many an item can be made better here. The 11th party congress is coming and we wish to record even better results. The pledges made at the Zeiss Combine set the yardstick for our collectives in terms of preparations for the 11th party congress.

NEUES DEUTSCHLAND: The 1986 plan indicates that your industrial area, second only to the electrotechnical and electronics industry, is expected to negotiate the steepest performance curves. Net production and labor productivity are expected to once more rise by 10 percent. This gives the international competition something to think about....

Dr Georgi: It will not be very easy, but, after all, we are in the year of the party congress and, on top of everything, we are at the beginning of a new 5-year planning period. Our performance during 1986 will determine the starting positions for the next phase of development in our country decisively, a development which the party congress will lay out. This is why the collectives in the combines consider the above-named plan figures to be minimum requirements. Efforts in socialist competition, following thorough discussion are aimed at fulfilling 25 percent of the annual plan by 31 March and at attaining 1.5 daily production performances by the time the party congress is held as well. Naturally, this requires optimum work performance every day.

The Trend: Flexible Automation

NEUES DEUTSCHLAND: The machine tool industry has to fulfill a double function. It is an important partner with respect to rationalization in many of our combines and, at the same time, the main support of exports from the republic. In addition to the requirement to supply ever more machines and installations, the industry is faced with ever increasing quality demands.

Dr Georgi: That is true. The more consistently our industry treads the path of comprehensive intensification, as it was once more precisely outlined by the 10th and 11th Congresses of the Central Committee, the more rationalization is undertaken and the more the modernization of available equipment is done to make it into the principal form of expanded reproduction of capital assets, the more do the quantitative and primarily qualitative requirements levied on the machine tool and processing machinery industry tend to grow. The developmental trend in the metal processing industry is clearly in the direction of automation. Automation determines the features, primarily the productivity and working and living conditions of the workers in the factories of tomorrow. This is so internationally and, naturally, is applicable in our country, too.

The machine tool industry can undertake its dual function only if it offers, through its products, highly productive solutions for flexibly automated manufacturing processes. I don't wish to anticipate, but the Leipzig Spring Fair of 1986, but even more so the activation of important rationalization procedures prior to the 11th party congress, will show the performance standards which are inherent in the GDR machine tool industry. Here, we are specifically talking about facilities which make it possible to increase productivity to 500 or 600 percent!

NEUES DEUTSCHLAND: Where do we stand internationally, comrade minister?

Dr Georgi: Despite intensified competition conditions in foreign markets, our machine tool industry ranks third in international exports and sixth in the world in terms of production.

NEUES DEUTSCHLAND: Yet the competition is not asleep and it is precisely because of the increasing degree to which traditional machinebuilding is being combined with microelectronics and computer technology a particularly high rate of production renewal is being demanded. What can you tell us about this development?

Dr Georgi: During the last decade, but particularly during the past 2 years, scientific-technical development in our area has advanced at breakneck speed.

The trend toward automation cannot be overlooked. This is combined with the requirement that manufacturing technology must today not only be capable of high performance and reliability, but must, to a great extent, be applicable on a flexible basis because producers want to be in a position, even while they are automatically manufacturing one product, to use the same technology just as rationally and productively in manufacturing a new product.

Thus, for example, on an international scale the availability of processing centers for flexible automation--they represent a particularly highly efficient and highly productive technical solution for various processing operations involving a piece of work--has increased around 58 percent over the past 5 years. Naturally, this would not have been possible had not microelectronics become a natural component of machines and if industrial robots had not become the extremities of such manufacturing systems. And finally, let us refer to virtually revolutionary changes which have been brought about by CAD/CAM (computer-assisted design and computer-assisted manufacture). Even this is an essential part of the road toward the automated factory in the next 10 to 15 years.

The Tempo of Innovation Is To Increase

NEUES DEUTSCHLAND: What consequences result from this for the innovation process?

Dr Georgi: The matter is clear. The combines of the machine tool industry currently have a renewal rate of 32 percent, the Polygraph Combine has a rate of 36.5 percent, and the TEXTIMA Combine almost attained a rate of 30 percent. This innovation rate must be maintained and increased. Otherwise, one cannot keep pace internationally. Yet we must master an important problem: the economic utilization of results produced by science and technology must improve.

NEUES DEUTSCHLAND: What do you mean by that?

Dr Georgi: It still takes too long for new developments from research or from design offices to find their way into production and to be rationally manufactured following a short start-up curve. The comprehensive intensification of the entire reproduction process, the creation of modern technologies is a decisive focal point in the competition for realizing our economic strategy. We have sufficient experience and all the necessary prerequisites in order to master this. The ideological work in all collectives must also be concentrated in this direction.

NEUES DEUTSCHLAND: In other words, the producers of the most modern technology for rationalization are orienting themselves even stronger than before to rationalize things "in their own house"?

Dr Georgi: There is no more effective possibility which corresponds to our conditions for utilizing scientific-technical progress and for creating all prerequisites for being able to produce more and better machines with the same number of workers over the same period of time and also constantly improving working and living conditions. We shall apply our own CAD/CAM solutions increasingly, we shall significantly expand our own rationalization movement, and we shall forge the alliance between the combines and science more closely than heretofore on a contractual basis.

Difficult Requirements for Every New Development

NEUES DEUTSCHLAND: You have already spoken of the qualitative changes in technology. Conventional machine tools are being increasingly replaced by processing centers and by numerically controlled or computer-controlled machines. These, in turn, can be upgraded all the way to a flexible automated production line or system. What technical and economic performance roles must, therefore, be set for new developments even as early as the time at which the duties and specifications are determined?

Dr Georgi: Our collectives--and I repeat--are meeting the challenge of the scientific-technical revolution. And we can reap our own advantages in this respect--the socialist planned economy, our clear economic strategy, organization of production on the basis of high-performance combines with high-quality workers. And as far as the process of renewal and prescribed duties are concerned, clear odds are given in the area:

a) the use value of every new part must be 50 percent greater than its predecessor;

b) the specific materials use must be 20 to 40 percent less, the mass-performance ratio must be, on average, about 35 percent more favorable;

c) the producer must be able to show a worktime savings of 30 to 40 percent with regard to the new product;

d) we expect each new development to result in a decline in specific energy use by 15 to 20 percent.

Similarly precise determinations exist for additional qualitative characteristics of a new development, including specifics of anticipated foreign exchange earnings.

How 7 Marks Can Be Made Out of 1

NEUES DEUTSCHLAND: So, in competition the extent to which every collective takes economic utilization of the newest scientific and technical findings seriously is becoming measurable and controllable in competition?

Dr Georgi: That is precisely what is at stake. Naturally, these are only guidelines which will be given very specific form in the specifications book. But anyone who wants to stay below the set goals need not even apply. This is also true of other such goals. For example, we have derived a task from the economic strategy of the party and from international developments which calls for research work to be concluded in less than 24 months and, with respect to the majority of new products, the first series is expected to carry the "Q" quality designation; we also expect to file at least 10 to 15 patent applications per 100 advanced school or specialized school graduates.

For every mark expended on science and technology, we wish to derive a production volume of newly developed products worth 7 marks this year (in 1982 we were somewhere around 3.80 marks). More than half of the new production--even that is a decisive premise--we intend to export in order to make a decisive contribution to the growth of national income in this manner.

NEUES DEUTSCHLAND: What role is played by the application of microelectronics in the intensification strategy in your industry?

Dr Georgi: The key role. We want to and must achieve a status in the next few years whereby one-half of the industrial goods production from our industry will be equipped with microelectronic instruments, in other words microcomputers, microprocessors, semiconductor memory storage units, etc. In the case of metal-cutting machine tools for the processing of prismatic components the numbers will rise now from 83 to 90 percent, with respect to machine tools for sheet metal and more massive metal-forming processes the numbers will rise from 35 to 45 percent, and with respect to machines for the processing of rotation-symmetry components the numbers will rise from the current 56 percent to 80 percent.

NEUES DEUTSCHLAND: And where will the microelectronics come from?

Dr Georgi: From the combines of the electrotechnical and electronics industry and, increasingly, from our own enterprises. Together, we have made an early start on establishing our own basis for the development and production of microelectronic components, modules, and instruments. Think of the exemplary performance in the TEXTIMA Combine, involving their own "TEXTIMA-Electronic" devices or in the "Herbert Warnke" Metal-Forming Combine at Erfurt with their special "Erfurt-Electronic" operation. This domestic manufacture of controls, for example, corresponds to the standards which exist in worldwide developments.

If there was talk before of the good international position enjoyed by our machine tool industry, then this was due, not in last place, to the concentration upon our own high performance capacities for the production and application of microelectronics in the combines, which was demanded by our party. Incidentally, in this area we plan to achieve a growth rate of 30 percent this year.

CAD/CAM Helps To Win Over 1,000 Technologists

NEUES DEUTSCHLAND: One can surely draw conclusions from this that significant progress is planned in the application of CAD/CAM technology?

Dr Georgi: Without going into detail: yes, and actually very significant progress. The required intensification effects are not attainable any other way. Just with respect to the area of technological production preparation alone we are expecting to achieve effects in the coming period which would make it possible to increase the technological potential by at least 1,000 technologists. On balance, this is a mighty task. Because the qualification of thousands of workers must proceed at the same time as CAD/CAM technology is employed.

NEUES DEUTSCHLAND: Given the complicated nature of the tasks, does optimism prevail, comrade minister?

Dr Georgi: Yes, as far as I am concerned and in all collectives. I was once more able to convince myself of this during the days the new plan started up. Workers at the VEB Knitting Machine Plant at Karl-Marx-Stadt said to me, "We are setting ourselves such high goals because we are talking about our standard of living today and tomorrow and primarily we are talking about the fact that we can work and live in peace." And this attitude prevails throughout the industry. This is also why I am optimistic with respect to the fulfillment of our obligations in honor of the 11th party congress.

5911
CSO: 2300/166

BRIEFS

STORM DAMAGES REPORTED--Berlin, 20 Jan (TANJUG)--Stormy winds, gusting up to 150 kilometers per hour, crossed the entire country on Sunday night. The fastest squalls reached hurricane force at more than 180 kilometers per hour over the top of the Harz Mountains. The violent wind was accompanied by much rain and isolated storms. Traffic had to be temporarily halted as of midnight in Rostock, Wismar, and Stralsund harbors. Damage to track and fallen trees led to obstructions, diversions, and delays in railway traffic over many routes, as for example on the stretches between Dresden and Leipzig, Dresden and Werdau, Magdeburg and Stendal, and on the Berlin outer ring. Stormy squalls caused breaks in overhead energy cables, for example in the areas of Schwerin, Suhl, and Neubrandenburg. This caused local energy supply disruptions. Repair teams are operating without interruption to rectify the damage done. [Text] [East Berlin ADN International Service in German 0558 GMT 20 Jan 86] /9604

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SIGNIFICANCE, OPTIONS OF TRADE UNION ELECTIONS

Budapest NEPSZAVA in Hungarian 8 Oct 85 p 3

[Article by Ferenc Sz. Varnai, research fellow of the MSZMP CC: "Common Solidarity in the Interest of Trade Union Election Success"]

[Text] Those who consider the year 1985 to have special significance are probably not in error. On the anniversary of the liberation, recalling our recent history, we were able to consider the growth of four decades. And at our party's 13th congress the decisions were born looking ahead to our future goals, weighing our opportunities.

With Different Comprehension

However, the past and the future cannot make us forget the present. In fact, this year is also a test. Seven and a half million Hungarian citizens have voted in a new way, and a whole series of enterprises have begun operating under a changed enterprise management format. The social policy has imposed new requirements on the national economy: laying foundations for considerable increases in the standard of living, moderating the price increases, preventing any decrease in average real wages. And all this in a constantly changing global economic situation.

The year is also a test for the trade union movement. Inaccordance with its developed practice it is getting ready to make its report and elect officers which takes place every 5 years. Nearly 5 million trade union members including several hundred thousand communists will vote, giving their opinions about the trade union activities and officers, and suggesting ways to overcome the recognized difficulties.

Now the historical responsibility again urges the trade unions to implement the role they fulfill in society, to relay the justified criticism of the workers; yet at the same time they should gather their energies to reach the goals which appear with changed emphasis. New concepts or ones which were little used in the past must be explained, old ones reiterpreted, such as social security, full and effective employment, termination of enterprises, exchange rates, price spirals, and inflation rates.

All these were discussed also at these meetings of the county party organizations where the tasks of the communists relating to the trade union elections were considered. While honoring the independence and responsibility of the trade unions, it was discussed what help the party organs and organizations could provide at the work place and at the county level of organizing, the reporting, and electing officers.

Considering the Possibilities

One of these is political support. The attention of the communists has been alerted to the fact that the trade union elections cannot be viewed as "internal matter" of the movement, but that they are significant events in our society. These provide needed opportunities to explain our intentions of wanting to improve our situation, to deliver occasional criticism, and to offer help at least. This value is increased by our present economic situation and by the fact that we are laying down the foundations of another 5-year plan. This means not only the process of planning but also taking into account, how the level of work organization can be increased at the enterprises and at every individual place of work, how productivity can be increased, and how working time and material savings can be improved.

The answers cannot just be expected from above. A significant portion of them can be answered with the cooperation of the working communities, the trade union membership, the stewards, the foremen, enterprise management and the enterprise's trade union organs. They can even be solved with the help of common concensus, based on the goals and the jobs to be done.

Well Considered Answers

The other form of help is to call attention. The experiences of preparation before the party congress and also what was heard at the party congress warn us about certain tensions that are to be expected. These may trigger impatience, influence the atmosphere of the trade union elections. That the standard of living is decreasing for some groups as does the real value of retirement pay were mentioned as such factors at the party organization meetings. Setting up a home continues to be difficult.

Arguments are triggered by the significant differences between earnings gained during the main working hours and outside of them, the population's supply of heating materials, the problems connected with energy limitations at the beginning of the year, the price changes of recent years, and the activities of commence. It can be expected that the questions concerning vacations, social policies, taxation and retirement systems will be asked again. It may come up with reference to calculating the sick leave pay why the earnings are not uniformly taken into consideration, for example, in paying the reimbursements, and in calculating the membership fees. All these are familier, but to give convincing answers to them requires preparation and consideration of the reasons--which gives selfconfidence--in advance and with forethough, rather than improvising at the voters' meeting or by repeating slogans.

It will probably be much more difficult to answer questions which concern evaluation of our present situation. Even among those the question of where the Hungarian national economy is today, in 1985, at the starting point of the Seventh 5-Year Plan, is of fundamental significance which affects every workplace and worker. There are optimistic views, according to which there is no reason to worry, since we have gotten over the difficult part of it, we have closed the process of consolidation, and there are no obstacles to the development. In the meanwhile others predict on the basis of the unfavorable experiences of fulfilling the 1985 plan so far that implementation of the goals accepted at the 13th party congress is in danger, and thus we are unable to satisfy the accepted social policy obligations. It is necessary for the trade union organs to take a sober, well-founded position, free of extremes and illusions, which can impartially show the real need for action, which can provide also a social and economic program to the membership--emphasized those who commented at the party organization meetings. We must not expect miracles, but if we know the difficulties and have mutual confidence and share responsibilities, together we can find the opportunities for progress at every level of production.

At the county party organization meetings attention was called to the fact that it is also advisable to protect our interests in this knowledge. It is possible that submitting the wage and price policy measures and various wish lists compiled without taking into consideration the objective limitations posed by the economic situation, demanding that they be fulfilled, and rejecting compromises, could perhaps momentarily be popular, yet they would not help, indeed they might hamper progress and the solving of the real problems. This is why it will be important to react in a circumspect manner, soberly weighing the possibilities and at the same time maintaining the respect for the organized labor movement. To decide what the trade union organs will accept as justified demands, what they consider possible to fulfill, to what they lend their name, and which ones will be those which--with acceptable reasoning--they reject. Of course, this does not mean that the imagined and real concerns should be kept quiet. Naturally every concern, request and proposal of the workers has a place at the voters' conferences. Nobody can hope to restrict these, since listening to the observations strengthens the confidence and helps discover the source of conflicts. The party organs have merely emphasized the responsibility of "providing the answers." That it should be the decisive principle for the viewpoints: the wages, prices and incomes must be weighed only by relating them to the results of production.

About the Work Done

It has been suggested that this should also be one of the basic thoughts of the workplace reports of the trade union organs. That is, it should be illustrated how the enterprise's production results in the last 5-year-plan cycle laid down the foundations for the workers' income and its social policy, what the prospects and plans for the next 5 years are. Furthermore, this must be discussed due to the fact that the evaluation of the trade union work--experience shows this--depends largely on the profits of the enterprise.

It is not necessary, they emphasized, that the trade union organs provide itemized, inventory-like reports on the work done, including the activity of the communists in it. Rather, they should evaluate the results of their decisions, implementations of their selected goals, and consequently the membership cooperation. All this should be viewed together with the given possibilities of the 5 years, comparing and measuring them in this context.

The party organizations mentioned that the organizational changes--such as, for example, changes in some county committees, modifications in the trade union county council structures--can simplify the movement's work, free it of some stages. But care must be taken that the reorganizations do not distract attention from preparation of the content, from formulating what is to be said, from looking ahead, or the ideas concerning the future. And now, all the way until the 25th congress of the Hungarian trade unions this is the next stage--they emphasized.

At the party organization meetings the invited trade union officials provided information--in addition to the organizational and content preparation of the elections--on personnel conditions. According to the preliminary indications the turnover of officials will be somewhat higher than in 1980. The performance of trade union work--as is commonly known--is not among the very easy tasks. Significant turnover can be expected especially among the stewards, which in some counties according to the estimates may even approach 50 percent. One of the important reasons for this is that there is no desire to reelect those who have proven unsuitable. But the movement needs those who have done their jobs to the membership's satisfaction, they must be convinced to accept the office.

Not by the Authority's Word

In theory, the elections provide an opportunity to solve any cadre problems. It is uniformly believed that the requirements of the trade union movement call for a definite cadre policy. This also means that the necessary compromises should not unnecessarily harm the movement under the guise of dangerous false humanism.

A close relationship can be demonstrated between the success of the enterprise operation and acceptance of office. Where there is a problem it is difficult to develop the appropriate proposal. The general experience is that greater effort is needed to have the right number of young people and workers among the candidates. We must work hard to convince some of the intellectuals to accept offices. But the number of those involved is increasing. The reasons for all this were also analyzed in the party organization debates.

How should the party's influence materialize in the cadre work? It is the obligation of every party member to have an opinion and to fight for it to prevail. But not by the authority's word, not from position, by mechanical interpretation of the areas of authority but rather by convincing, with the aid of logical and well-founded reasonsing. And where things still do no happen the way they were proposed, the reasons for the trade union membership decisions must be analyzed, to determine their logic reasoning.

Naturally, it is not yet possible to summarize all the experiences of preparation and assistance given to the elections of the trade unions and the help given to them. What we know and are familiar with is reassuring. The cooperation is good; the solid foundation for this is the MSZMP CC [Hungarian Socialist Workers Party Central Committee] position of 12 October 1983 concerning the development of the trade union work and the party tasks, plus the resolution of the 13th party congress. It proves that our party at all levels relies on the trade unions, considers them helpmates and needs their participation in working out the policies, getting them accepted and implemented. And the party organizations and the communists--by giving their opinions in the important questions of political significance, by avoiding the interference of going into details--are helping the trade unions also in the counties so that they can fulfill their calling by joint cooperation based on commitment, yet by independent action.

8584/6662
CSO: 2500/56

VICE-MINISTER ON NEW FINANCIAL INCENTIVES FOR INDUSTRY

Warsaw RZECZPOSPOLITA in Polish 11 Nov 85 pp 1, 2

[Vice-minister of Finances Bronislaw Cias interviewed by Janusz Kotarski]

[Text] The government presidium has accepted a package of executive rules which constitute a continuation of the changes which the law of 31 July 1985 began in system of reform policies. Part of these rules directly affect the financing of enterprises. On this subject a PAP journalist spoke with Vice-Minister for Finances Bronislaw Cias.

[Question] Increased efficiency, savings, broader application of technical progress are only a few of the desirable forms of behavior for enterprises. Will the new rules in the economic-financial system encourage such behavior, and if so, to what extent?

[Answer] Motivating enterprises to apply scientific-technical progress, introduce innovations, save production factors and limiting the negative influence of their activities on the natural environment are the main reasons for the change in the guidelines for charging income taxes. This is an integrated system of incentives. Thus, the income tax breaks will be used to encourage scientific-technical progress in government contracts. Investments of this type, with a cycle of less than 5 years, will reduce income taxes by an amount equal to 30 percent of the expenditures incurred. Similar relief will be granted for the introduction of Polish inventions in production. It is worth adding that all the above-mentioned incentives are not subject to the rule according to which the total amount of reductions in income tax may not be more than twenty percent of profits.

[Question] But not all enterprises can get government contracts, or undertake the sometimes costly introduction of Polish inventions into production processes.

[Answer] Of course. But this is special treatment and significant preferences for innovations of particular importance for the economy. On the other hand there is a general need for the whole process of incentives; both inventors and those who put their inventions to use have a particular interest in this. The first function is already fulfilled by the principle that profits made for the first 3 years from the introduction of the innovation and due to it are exempt from taxes. A greater incentive for inventors is the "Fund of Innovation Results" which was created last year. Enterprises will put into this fund an amount which represents the economic effect or result of the innovation (up to ten percent of the profits derived therefrom in the first year of the innovation, and eight and six percent for the next 2 years). This deduction is made before taxes, which represents a substantial preference. The Fund of Innovation Results will be intended for the authors of inventions, both within and outside the enterprise. By this means we want to provide an incentive for workers at scientific research institutes for the rapid realization of their ideas and to concentrate on research with a potential for such innovations. This linkage is especially important and should reduce the number of inventions which simply sit on the shelves.

Among the incentives for economy, aside from existing tax breaks for reducing raw material consumption, income tax breaks for more efficient use of electricity and fuels is a novelty. Its implementation would, however, require establishment of consumption norms. Their preparation has been undertaken by the Main Inspectorate for Energy Management. This incentive could reach 50 percent of the value of energy saved. The benefit is, in a way, twofold. Reducing consumption generally reduces costs, and thus increases profits, and the tax break significantly reduce the incidence of taxes on those profits.

[Question] One of the decisive factors in economic stabilization is increased exports. This is the only way to enable us to import raw and other materials and the only way to really get out of debt. Do the new rules give increased preference to export production?

[Answer] Of course, and in a far-reaching way. The changes emphasize primarily an increase in income tax breaks of up to eight percent of the value of export. I repeat, the value of export, and not the profits made therefrom. Thus the large tax breaks will benefit those enterprises which sell goods abroad that is highly finished goods, or enterprises which export to countries on a list drawn up by the Minister of Foreign Trade.

Exports of semifinished goods will in turn will get benefits of six percent of value of export, under the condition of directed sale, as before.

On the other hand, less preference will be given next year to exports of raw materials and centrally accounted materials, i.e. those needed in Poland. Here the benefits amount to two percent of the value of export.

Another important innovation is the possibility of transferring part of the tax savings due to exports to cooperative development funds. We have adopted the general guideline that tax savings from exports can only go to the development funds, or other, similar funds. This is to promote the development of export production. Hence also the tax incentives for investments aimed at increasing exports. They amount to 20 percent of investment costs. Starting next year they will be applied to investments with a 5-year term, i.e. 2 years longer than under previous rules. On the other hand, there has been a slight reduction of preferences for increased exports. But they have been maintained and amount to 15 percent of the value of the increase in exports of highly finished goods sold to designated countries, and five percent of the increase in exports to other countries.

I should also point out another rather important change. When the general increase in benefits for exports was instituted, the size of those benefits was tied to profitability. For unprofitable exports the benefits will be correspondingly reduced.

[Question] You mentioned the possibility of transferring funds from export tax benefits to help cooperative enterprises. As is known, this is not the only innovation promoting closer cooperation among enterprises. The law of 31 July also provides for the authorization for enterprises to issue bonds. Has this matter also been given detailed regulations?

[Answer] Yes. The relevant decree of the Council of Ministers has already been prepared. The right to issue bonds will be given to state enterprises when they define the purpose for which the funds will be spent and when the proposed issue is approved by the Minister of Finances. It is essential that the enterprise's goals coincide with those of the economy as a whole. On the other hand, the bonds may be purchased by any publicly owned economic unit, especially one which would directly benefit from the project being carried out by the issuer of the bonds. Purchase of the bonds guarantees receipt of interest, accumulated from the development fund of the bond purchaser and tax free. But the bond may involve other obligations of the issuer, e.g. a guarantee to increase cooperative deliveries, introducing a new line of goods, etc. All the conditions stipulated by the bond must be fulfilled, or the issuer must immediately buy back the bond. This is an important factor introducing discipline into relations between enterprises, which places on the issuer much greater responsibility for scrupulous fulfillment of commitments undertaken partly at other parties' expense. The issuing enterprise would back the bonds with its assets, and collection of the sum due would take place according to the normal procedure.

[Question] Will the new rules be able to introduce greater discipline in enterprise finance? Much has been said about the failure of the "tight money policy", the blame being placed for example, on shortcomings in the system, or in an excessively broad scope for discretionary incentives.

[Answer] It seems that changes in the economic-financial system more clearly define the areas of preference and provide greater opportunities for enterprises which try to be more efficient and up-to-date. Attracting investments is also important here. This should reduce the often justified emphasis on granting individual incentives. Now they can be gotten in a universally binding system. This is also why we want to treat individual incentives next year as quite exceptional. However, I wouldn't want to prejudge the elimination of this item. It can remain, although, as I think, on a much smaller scale. This will make it possible to increase the role of the banks and credit through the "tight money policy."

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CSO: 2600/173

BAKA, NIECKARZ ADDRESS QUESTIONS AT SEJM PLENARY SESSION

Warsaw RZECZPOSPOLITA in Polish 28 Nov 85 p 4

[Excerpts] Wladyslaw Baka addressed the question raised in the discussion on how the bank could influence enterprises which pollute the environment. Since, as he recalled, in addition to operating costs of enterprises there are the fines paid for polluting the environment, and the amounts of those fines are increasing, it would seem that the creditworthiness of such an enterprise would be threatened, and we all know what that means. The relevant directives will also stipulate that the banks must not allocate credit for investment without a favorable ruling from the organs responsible for water and natural resources. The bill on monetary and credit policy submitted to the Sejm included a provision forcing banks to give preference in credit to projects aimed at improving environmental protection.

On the results of the planned creation of a community of iron and steel mills, Minister Stanislaw Neickarz said that that proposal is still being discussed. It is not directly related to allocations for the metallurgy branch. The need to subsidize the metallurgy industry comes from support of production from outmoded plants and new plants which pay a high percentage of the prices for finished goods. Official prices for metal products at present do not cover costs, yet raising them all at once would cause considerable price increases for finished goods.

The minister discussed changes in income taxes for the private sector, adjusted for inflation. Tax policy, as he said, is aimed primarily at increasing the production of goods and services. From this point of view the ministry is analysing the profitability of that sector in a timely manner; e.g. taking into account the process of inflation for this year income taxes for individuals outside the agricultural sector have been ajusted.

Presenting the systemic and organizational policies which would ensure the funds for carrying out the program of improvement, S. Nieckarz said that that is a matter for the provincial people's councils. If the appropriate expenditures are not allocated in some provinces, then the government would support that province with funds from national reserves. In general the provincial councils have so far not given enough attention to improvement, allocating insufficient funds for it.

The minister also dealt with the question of provision of funds in the provisional budget for farm price supports. As he recalled, at present the general guiding principle is that prices are formed in a triad: cost prices, procurement prices and retail prices. This has been affirmed, for example, by decisions of the PZPR Central Committee, and the United Peasant Party Chief Committee without prejudice to the relevant sums of money. The specific sums of present profitability will be known by spring. The appropriate decisions will then be made.

S. Nieckarz also presented the problem of profitability in the agri-food industry and systemic solutions affecting investments. If profits are equal to overall production costs, the profitability of this industry is substantially lower than the average for the economy as a whole. But it should be remembered that this industry is characterized by processing costs, i.e. for raw and semifinished material processing. The minister affirmed that the present financial and administrative system is adequate for concentrating and redistributing funds among branches. Taking advantage of existing rules depends upon the initiative of enterprises.

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POLISH REACTION TO 41ST GATT SESSION

Warsaw ZYCIE WARSZAWY in Polish 30 Nov-1 Dec 85 p 4

[Article by (P): "Conclusion of 41st GATT Session"]

[Text] Geneva (PAP)--PAP correspondent, Edward Dylawerski, writes: "The 41st session of the signatory nations to the general agreement on tariffs and trade (GATT) concluded on Thursday with a decision to form a committee which will concern itself with preparing a new round of multilateral negotiations aimed at liberalizing world trade".

The committee has until the middle of July of 1986 to prepare proposals concerning the organization of the new GATT round of negotiations. In September of 1986, the conference of 90 nations--signatories to the GATT at the ministers level should already officially make a decision about commencing multilateral talks.

According to the director general of GATT, Arthur Dunkel, these talks will be the most comprehensive ever because the number of GATT signatories has increased from the last round of talks and great changes have taken place in the world. The chairman of the 41st session, Felipe Jaramillo (Colombia), believes that the future of the general agreement on tariffs and trade signed in 1949 depends on the progress of the new round of negotiations.

In assessing the proceedings of the session during a conversation with the PAP correspondent, Boguslaw Sosnowski, chairman of the Polish delegation taking part in the 41st session of GATT and director of the department of international economic organizations at MHZ, said that compromise in the matter of creating a preparatory committee signifies that all GATT signatories--developed and developing countires as well as socialist countries perceive the danger related to the creeping in of protectionism in world trade. This is why the preparatory committee, which all GATT signatories may join, was appointed. The committee is to define the topic range, the method of negotiating and the participation of nations in this new round.

It was decided that the committee will present its recommendations at the ministerial session in September of the coming year. This means that the majority of controversial issues have not been settled and that policy decisions at the ministerial level will be required. This particularly concerns issues pertaining to the elimination of obstacles in world trade, preferential treatment of developing countries and including services on the agenda of the coming rounds of negotiations.

"All of these matters," said Director Sosnowski," as well as many others, such as trade with agricultural products, methods of settling disputes and the use of protectionist clauses, are very important to Polish international trade and, consequently, to the Polish economy. In connection with this, we intend to actively participate in the work of the preparatory committee. The decision of GATT to create this committee is important to our economy in that the commencement of the very important and difficult round of trade negotiations will probably fall during the period of our next 5-year plan and the further application of the assumption of our economic reform which coincide with the directions of the work of GATT."

9852/13104
CSO: 2600/219

INCREASED IMPORTS OF CONSUMER GOODS

Warsaw ZYCIE WARSZAWY in Polish 2 Dec 85 pp 1, 2

[Article by (Krys.): "Increased Imports for the Needs of the Consumer Goods Market"]

[Text] (Own information). We have purchased all sorts of goods abroad the deliveries of which are concentrated toward the end of the year. This applies both to food goods (e.g., coffee, tea, spices) and also to manufactured products which constitute a supplementation of enrichment of the all too small--in relation to the need--domestic selection.

During the current year [1985], we will have imported a total of 35,000 tons of tea, thus, 10,000 tons more than last year. Tea has become our favorite beverage and in terms of its consumption per person, we find ourselves in the forefront in the world. The largest deliveries occur during the fourth quarter.

Unfortunately, because of the shortage of foreign exchange, we should not expect to see Indian tea. However, for coffee lovers there is good news because considerable amounts of this beverage will be available in stores toward the end of this year. Trade representatives claim that there should not be any problems with obtaining it [coffee]. However, one can never tell because deliveries during the year were not systematic.

There will be somewhat more citrus fruits--a total of 30,000 tons. Mostly grapefruits have been imported. Their prices have even been lowered to encourage buying. Unfortunately, in this batch of citrus fruits, there are only small amounts of lemons (700 tons) and tangerines (900 tons). There will be enough only for the lucky few and for peddlers.

Shortly, there will be approximately 1,000 tons of raisins available in stores. They are already in the country but must be packaged. The same applies to gelatin, of which 180 tons have been imported. What is important is that it will be possible to buy items before the Holidays which have not been available in government-owned stores for so long, e.g., bay leaves, pepper, allspice, cloves, nutmeg and olive oil.

The constantly announced importing of various goods from China is becoming evident finally. For example, rice is being sold with a 20 percent discount because such large amounts have been bought. Deliveries of manufactured goods are flowing in again. However, because of their attractiveness as, for example, in the case of underwear, for the time being these articles have been disappearing immediately from store shelves. However, supplies will be so large that this should alleviate shortages considerably. We have purchased in this country [China] a lot of various items whose delivery is projected for the end of this and the beginning of next year. Thus, for example, 2.2 million pieces of terry cloth towels, 3 million sets of men's long underwear, just as many men's undershirts and warm underwear will be available in stores during this time.

In order to better illustrate the enormity of the deliveries, it should be mentioned that, for example, the import of warm underwear during the second half of this year is as large as our domestic production at that time whereas supplies of men's "unmentionables" even exceed domestic production. Deliveries of cottom underwear and garments for children and men's shirts are large. Robes, pajamas, bedding and ladies' and men's ready-to-wear clothing will be available in stores.

Of the household articles purchased in China, it is worth mentioning enamelware of which 600,000 pieces have been contracted for and should appear in stores any day now. Among them are: pots, mugs and bowls. In addition, 1 million pieces of stainless flatware prices competitively with Gerlach products were also purchased. There will also be all kinds of sports goods, toys for children, play moulding clay, crayons and pens available.

Toward the end of the year, supplies of mechanized equipment from the USSR, GDR and Czechoslovakia are larger than during the first three quarters. Thus, for example, supplies of refrigerators from the USSR (140,000 units) are during this, the fourth quarter, almost as large as the annual output from the Wroclaw based Polar (150,000 units). From China we have also imported color television sets (Rubin and Elektron).

Czechoslovakia will supply us with 15,000 juicers; 120,000 rotary washing machines will come from the GDR and a total of 100,000 units of automatic washing machines from Czechoslovakia and the USSR. According to some merchants, supplies of some imported goods will be so large that they should satisfy market demand.

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PLANNING COMMISSION REVIEWS DRAFT BILLS ON INVESTMENTS

Warsaw ZYCIE WARSZAWY in Polish 2 Dec 85 pp 1, 2

[Text] (PAP) On 30 November, the Presidium of the Council of Ministers Planning Commission reviewed information along with the draft bills of the applicable resolutions of the Council of Ministers concerning:

—the results of investment verifications conducted in 1985 and the calculation of their value according to current prices as well as the approval of the verified cost estimate values, the effects and time-limits for turning them over as well as the sources of the financing of currently continued central investments;

—the establishment of procedural principles to be applied when managing assets arising from deferred investments whose implementation will not be resumed until the end of 1985;

—the defining of principles which are binding at the time of taking on heating investments in the field of professional power engineering and the sources of financing the aforementioned.

The verification of investments was combined with updating their cost estimate value based on the assessment of the cost of the actual extent of these investments still remaining to be implemented according to 1984 prices and projected prices until the end of their implementation. The above described work was conducted this year [1985] on the basis of the decisions of the Central Annual Plan for 1985 and was obligatory for all central investments and for other ventures with a cost estimate value exceeding 500 million zlotys financed with the participation of budgetary funds.

On the one hand, this work was aimed at limiting the factual range of these investments to proportions indispensable for achieving the projected effects and on the other hand, it was aimed at updating the assessment of the investment outlays still remaining to be implemented and the sources of their financing under conditions of the existing, systematic price increases on investment services and supplies.

A total of 785 investment ventures, whose current value according to projected prices is estimated at 4.5 billion [trillion] zlotys with the outlays remaining to be assumed at approximtely 3.2 billion [trillion] zlotys, were encompassed by the verification action.

The examined draft plan of the Council of Ministers resolution envisages the approval of the results of the verifications, individually for the specific central ventures and also the determining of the sources of their financing including also the sources of the repayment of bank credits.

In accordance with the currently proposed deadlines for the implementation of these investments, the majority of them will be completed during the coming 5-year period including 36 between 1986 and 1987. Following 1990, only 10 central investments from the current program will be continued.

The next problem to be examined by the Presidium of the Planning Commission was the matter of managing the assets remaining currently from suspended construction whose implementation has not been resumed. It should be stressed that of the total number of approximately 1,600 investments, which under conditions of necessary curtailments of the total proportions of investing were stopped after 1980, more than 400 tasks still await the decisions of investors with regard to the ways of managing or eliminating them.

The Presidium of the Planning Commission approved and decided to submit for consideration to the Council of Ministers the draft plan of the resolution which introduces significant privileges and incentives for investors in managing assets from suspended or abandoned investments.

In a subsequent point, the Planning Commission presidium examined the draft bill of the Council of Ministers resolution concerning the undertaking and financing of heat energy ventures in the professional power engineerng industry. This draft plan constitutes an indispensable and anticipated updating of the rules and regulation in this field which concerns mainly the annual and of many years standing planning of these investments as well as determining the proportions of the funds that ought to be appropriated for their financing from the particular sources. The principal directions of the draft plan, which in the very near future will be submitted to the Council of Ministers for consideration, were approved.

Members of management of interested ministries and institutions and of the NBP took part in the presidium meeting at which Vice-premier Manfred Gorywoda, chairman of the Planning Commission, presided.

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PROVINCIAL ECONOMIC SECRETARIES CONFER

Warsaw TRYBUNA LUDU in Polish 2 Dec 85 p 2

[Article by Henryk Heller: "Party Responsibilities Toward the Economy"]

[Text] (Own Information) A conference of PZPR provincial committee economic secretaries was held in Poznan on 29 and 30 November under the chairmanship of Politburo member and KC Secretary Marian Wozniak. Politburo member Stanislaw Kalkus took part in the conference.

The subject of the deliberations included three topics:

--initiatives for the development of housing construction and lowering its costs;

--activity in the realm of improving the consumption of raw and other materials and energy as well as generating a movement of general economizing measures;

--the Central Annual Plan for 1986, the tools of its implementation and related tasks in party work.

Discussions pertaining to the problem matter of housing construction were preceded by visits paid by the conference participants to construction sites in Poznan. During the conference, tasks related to capital outlays and construction were formulated. The concentration of funds and technical means continues to be a fundamental problem on which the effectiveness of investment processes depends. Dispersion causes the extension of investment cycles and increased implementation costs. The next task, as stated in the discussion, is the lowering of costs at all stages of the investment process, from the drafting of plans, through their implementation and all the way to the operational phase.

In the discussion, the need for effectively combatting signs of uneconomicial management and wastefulness at construction sites was stressed. The implementation of pressing tasks in the construction industry will be possible only on condition that there will be evident progress in the area of economising in all production factors.

Jerzy Wozniak, minister of materials and fuel management, pointed out in his presentation the significance of economical management and the setting in motion of still existing reserves. He discussed the effects of the implementation of the economising program for 1983-1985 and presented the fundamental tasks for the next 5 years.

The assumption of the Central Annual Plan for 1986 and the instruments of its implementation were presented by Franciszek Kubiczek, first deputy chairman of the Council of Ministers Planning Commission. He pointed out in particular that the implementation of the plan, which is deeply rooted in the realities of our economy, depends on whether and to what extent enterprises will adapt themselves to the limited increase of raw and other materials and energy. This plain truth ought to be more widely established among management and among work forces.

In the discussion, problems of the optimum use of raw material and energy resources and of the production potential were raised and attention was called to the need for improving the functionalism of employment through, among other things, the elimination of administrative overgrowths and improving work organization. Specific examples were given of not taking into consideration the economic account in the making of economic decisions by enterprises. Furthermore, tasks for party elements and economic management boards geared toward combatting such practices were formulated.

It was pointed out that the key issue in the coming year will be a more complete balancing of the economy. The proper functioning of economic mechanisms will depend on this and as a result, an improvement in management efficiency.

Zygmunt Rybicki, the under secretary of state at the Office of the Council of Ministers, presented the principles of the functioning of government agencies in new organizations and the problems involved in the work of the state administration.

In summing up the conference, Politburo member and KC Secretary Marian Wozniak outlined the crucial tasks of party work in the economy in 1986 which will be the subject of deliberations and decisions of the 23d KC Plenum. He pointed out that raising management efficiency as a result of conserving energy, raw and other materials, the functional use of work resources, better tying in of remuneration to work results and activity for restoring financial-market equilibrium should all be the subject of constant work on the part of party echelons and organizations.

Progress in efficiency of management in 1986, thereby, the implementation of the social goals of the plan depends to a considerable degree on the effectiveness of party work in this field and on the commitment of party echelons and organizations.

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CSO: 2600/219

MATERIALS MANAGEMENT, FUELS MINISTRY BUDGET PLAN DEBATED

Warsaw RZECZPOSPOLITA in Polish 4 Dec 85 p 4

[Article by (CH): "Economical Management Through the Prism of the Budget"]

[Text] The 5-year plan poses extremely difficult tasks in the field of efficient management. In order to achieve the envisaged growth rate, it is necessary that at least two-thirds of production growth have its source in raw material, fuel and energy conservation. This economic imperative dominated the discussion during the meeting of the Economic, Budget and Finance Plan Committee which on the 3d of this month, examined the budget draft plan for 1986 of the Ministry of Materials and Fuel Management. Less was said about the particular items in the budget and more about the tasks of the ministry and the methods of their implementation.

"The Ministry of Materials and Fuel Management as a functional ministry, became," acknowledged the Sejm delegates, "a veritable steerer of improvement in the efficiency of management after taking upon itself in 1985 the responsibility of concern for the functional use of the fixed assets of enterprises," The modifications to solutions of the economic reform, proposed for the coming 5-year period, serve to activate these processes. "However, it was stated in the joint report of the Sejm delegates, "the administrative methods of acting upon enterprises in the form of, among other things, bans on production issued by the ministry, are in conflict with the operating methods of the reform contained in the CPR [Central Annual Plan] for 1986." Minister Jerzy Wozniak debated this viewpoint claiming that both in the resolution of the Ninth PZPR Congress and in the legislative acts that expand it, the possibility of strengthening the action of the economic system by means of organizational solutions was allowed. The 156 bans on the production of goods which have been issued thus far represent an insignificant number in the presence of the 30,000 to 40,000 new products which reach the market during the year. "The bans do not hurt the independence of enterprises," added Minister J. Wozniak. "They are issued only when their [enterprise] activity harms the overall social good."

The delegates also took an active interest in the purchasing and management of secondary raw materials and expressed their approval of the program, prepared by the ministry and accepted by the Government Presidium, of developing the economy with secondary raw materials for the coming 5-year period.

After listening to explanations, the delegates accepted that part of the state budget draft plan for 1986 pertaining to the Ministry of Materials and Fuel Management. Draft plans of the budgets of the Central Office of Statistics and the Supreme Chamber of Control were also reviewed and passed.

The following delegates participated in the discussion presided over by delegate Jan Kaczmarek (PZPR): Jan Mieloch (no party affiliation PAX), Jerzy Szmajdzinski (PZPR), Cezary Wolf (PZPR), Bernard Widera (ZSL), Wieslaw Nadowski (PZPR), Wladyslaw Sz[illegible]amski (ZSL), Kazimierz Paszek (PZPR), Zbigniew Kubik (PZPR), Danuta Juzala (PZPR), Julian Bartkowski (PZBR), Albin Siekierski (PZPR), Zbigniew Gessner (SD), Stanislaw Stasiak (ZSL), Mieczyslaw Fracki (PZPR), Wincenty Lewandowski (no party affiliation), Bogdan Prus (PZPR), Mieczyslaw Budziewicz (ZSL), Aleksander Legatowicz (no party affiliation), Stanislaw Kielan (ZSL), Boleslaw Struzek (ZSL).

9853/13104
CSO: 2600/219

DECREE ISSUED ON NONNORMATIVE SALARY TAX RATES

Warsaw ZYCIE WARSZAWY in Polish 6 Dec 85 p 2

[Text] (PAP) The Council of Ministers has issued a decree regarding tax rates for nonnormative salaries and the principles of determining tax-free remuneration. The principles of determining this tax have been defined in a law amended on 31 July of this year [1985] regarding the taxing of socialized economic units.

The law prescribes that, as in the principles up to now governing PFAZ liability, the future tax will be paid from profits for distribution. The base salary will continue to be that which is free from taxation (PFAZ burden). In the case of a drop in production, it will be adjusted appropriately. Enterprises will be able to create a reserve for wages and payments made from this reserve will be free from tax. Tax credits due to the conservation of raw and other materials will be retained.

The basis for taxation will be amounts paid as wages which exceed the tax-free amount during the fiscal year and not increases in relation to the tax-free amount for the previous year above the determined index of increases free from PFAZ liabilities. As opposed to the PFAZ liabilities, the possibility of using gross production gauges has been eliminated, among other things, in the principles of setting the tax on nonnormative salaries. The gauge will be net sold production or net sales.

The methods of establishing tax reductions due to export production has been changed. The reductions will pertain to remuneration paid into the cost burden and not as had been the case up to now--rewards and bonuses paid from profits.

In the decree, various methods of determining the remuneration amounts paid into the tax-free cost burden were defined, among other things. The amount of the correction coefficient was set at 0.4. For certain kinds of activity, this coefficient will come to 1.0. Economic units, in which a drop in production will occur, will use a coefficient of 0.65 regardless of the coefficient used during an increase in production.

The range of decisions, which are discretionary in character, has been limited. The amount of tax-free rewards and bonuses paid out from profits has been made subject to changes in the profit amount. The tax will replensih the central budget and not the PFAZ. The complete text of the decree is being published in RZECZPOSPOLITA in its 6 December issue.

9853/13104
CSO: 2600/219

PERSONNEL CHANGES IN FOREIGN TRADE SECTOR

Warsaw RYNKI ZAGRANICZNE in Polish No 151, 17 Dec 85 p 8

[Text] On 16 Octob4r 1985, Stanislaw Puzynski, born on 15 April 1935 in Milkowszczyzna (USSR) was appointed to the post of consul at the PRL Consulate General in Bratislava.

He completed the SGPiS [Main School of Planning and Statistics] and began his professional work in 1958. From 1959, he has been employed by the ministry of foreign trade. Recently, he held the post of vice-director of the Department of Transport and Shipping at MHZ.

* * *

On 21 October 1985, Tadeusz Ruzik, born on 26 August 1948 in Strzelin, was appointed to the post of director of the foreign trade minister's cabinet.

He completed the SGPiS and began his professional career in 1972 in the ministry of foreign trade. His most recent position was that of acting director of the minister's cabinet at MHZ.

* * *

On 21 October 1985, Stanislaw Jaros, born on 2 January 1929 in Chasno, was appointed to the post of director general of Textilimpex Sp.

He completed the WSE and began his professional career in 1947. He has been employed at the ministry of foreign trade since 1982. Recently, he held the post of director of the Textilimpex-Skorimpex Enterprise in Moscow.

* * *

On 22 October 1985, Jozef Kostera, born on 17 August 1934 in Tur, was appointed to the post of president of CEI Minex Sp.

He completed SGPiS and the University of Lodz. He began his professional work in 1953 and has been employed at the ministry of foreign trade since 1959. His most recent position was that of the assistant director at CEI Minex Sp.

9853/13104
CSO: 2600/219

TRADE MINISTER VIEWS FLOW OF GOODS

AU301437 Warsaw RZECZPOSPOLITA in Polish 28 Jan 86 pp 1, 2

[Interview with Jerzy Jozwiak, minister of domestic trade and services, by "R.Rz.": "Better Supplies, More Effective Trade"; date and place not given]

[Excerpts] ["R.Rz."] Citizen Minister, what main tasks for trade have been mapped out by the 1986 central annual plan?

[Jozwiak] The 1986 central annual plan has created the necessary conditions to ensure that 1986 sees a further stabilization and consolidation of the flow of goods to shops. The main task of domestic trade is to exploit to the full these conditions, all the more so since the market situation is for consumers an important and even basic criterion for appraising the results of the performance of the economy as a whole.

A better flow of goods means better general conditions for increasing the requirements for the effectiveness of all activities. That is why trade must not waste any opportunity for normalizing the market situation.

["R.Rz."] What will the flow of goods to shops this year be?

[Jozwiak] Let me begin by saying that there should be no deterioration in the level of flow already achieved. What is more, if we accomplish the planned tasks, we should be able to achieve this year more distinct progress in restoring market balance. This progress will be especially visible in the flow of foodstuffs.

Except for meat, the supply of which continues to increase only to such an extent as to enable us to maintain the present level of meat rations for our ever-increasing population, all other staple foods such as flour, cereal products, sugar, fats, milk, and dairy products will fully meet our needs. If the market situation develops in line with our expectations, the rationing of fine groats and chocolate will be contemplated.

I have mentioned meat. Although our freedom to maneuver in this regard is still limited, we intend to crucially expand the free sales of smoked meat by-products and smoked products made from mutton, calf meat, and horse meat. We continue to evaluate the results of the experimental free sales of meat in three voivodships. If these results are encouraging, we will expand these sales.

["R.Rz."] Our people expect more tangible improvements in the organization and performance of domestic trade. Any comment?

[Jozwiak] We are fully aware of these expectations. Not so long ago my ministry studied the results of an analysis of almost 1,400 critical publications carried last year by the press on the subject of trade. These publications place the issue of the effective performance of trade on top of the list of issues. We know that people's expectations have increased and that they are often impatient, especially in the case of unjustified shortages of goods of which there should be no shortage. Their impatience also applies to the bad efficiency of some shops and to a lack of care for cleanliness and attractiveness. People blame the local trade organizations and the personnel of specific shops for these shortcomings, which are a result of bad organization and lack of responsibility and supervision. We will react to this resolutely in all cases warranting such reaction, but we will also bear in mind the honest, toilsome, and selfless work of a decisive majority of trade employees.

/6091
CSO: 2600/267

RULE CHANGES FOR FIRM HARD CURRENCY ACCOUNTS

Warsaw POLITKYA (POLITKYA EKSPORT IMPORT No 22 Supplement) in Polish
No 47, 23 Nov 85 p 15

[Article by Jan Siebeneichen, director, Studies and Planning Department, Ministry of Foreign Affairs: "A Cautious Step Forward"; passages in slantlines rendered in boldface in text]

[Text] The system of related foreign exchange earnings is now almost 4 years old. It includes (as of the end of September 1985) 2,264 production enterprises. Credits to retained-earnings accounts (individual and group) have reached $2,440 million, of which $1,758 million have been used.

The difference between credits and debits is used in import transactions assigned to foreign-trade enterprises. This sum also includes funds set aside by the account holders to cover purchases for developing the enterprises. Imports within the retained-earnings system constitute about 14 percent of those from the second payment area.

What Rates?

Retained earnings are intended to stimulate exports by linking imports to enterprises export successes. This purpose can be fulfilled only if the rate of retention matches the enterprise's operating conditions. If it is too high, it permits satisfying oneself with a minimal level of export production to cover the required retained earnings. If the rate is too low, enterprises search for sources of exchange earnings outside of the system distorting it. /Statistical data, experience, and observations have accumulated that should permit us to establish objectively a rate that without losing the stimulating effects on export will lead to long term planning for enterprise development, including future foreign exchange needs./

A second crucial problem is the effect of the system of retained earnings on the productivity of export production. Previous methods must be improved. /The price of foreign exchange spent on imports is determined by a uniform exchange rate for the zloty, but the cost for acquiring a unit of foreign exchange through exports varies. This should be reflected to a greater extent by the credits in the system of retained foreign exchange earnings./

The resolution of the Council of Ministers of 4 November 1985 on the details of the method for opening and using retained-earnings accounts deals with both problems. It establishes that "the development of the system of retained foreign exchange earnings for 1987-90, including making the rates uniform and relating the size of the retention to productivity of export will accord with the National Socio-economic Plan for 1986-90." This means the problem has been resolved by the Sejm resolution on the five-year plan, but the new methods will apply after 1987.

Small Changes in the Coming Year

For 1986, however, the rates established by the minister of foreign trade and the finance minister according to earlier principles will be retained.

/Neither a gradual change nor a general revision of current rates is anticipated during the coming year./ Inappropriate rates for the prevailing conditions, however, may be adjusted. The account holder is responsible for demonstrating the need for adjustment. Moreover, the anticipated balance of payments for 1986 will not favor increases in the rates.

Other issues were also resolved in the resolution.

/From the beginning of 1986, the system of retained foreign exchange earnings will include state and mixed enterprises, partnerships under trade law including publicly owned economic units, cooperatives or their unions, social organizations that conduct economic activities, and design bureaus with the status of legal persons./ The special regulations for pit mines, research and development centers, state higher schools, and those for inventions, technical innovations, and technical services will also remain in force.

Besides foreign exchange deposits, the resolution specifies that earnings will be retained from payments due from foreign clients discounted by domestic foreign exchange banks or payments made in other manners accepted by the minister of foreign trade. These can include shipments of foreign goods or payment of a financial debt by shipments of goods to a foreign client.

A choice between an accounting or a title form of retained foreign exchange earnings accounts has been introduced, though the domestic foreign exchange bank establishes the form at the request of the account holder. At present both types of accounts exist: accounting ones for state enterprises and title ones for most other types of economic legal entities.

Opening group accounts for retained earnings based on agreement of the interested parties remains in force. The methods for using these accounts is established in these agreements. Some of the partners in these accounts have reserved the right to use credits resulting from their exports to themselves. In such cases the group form of the account is purely formal, and it does not increase the flexibility in using the credits. Further, it would be wise for the partners to consider changing the agreement in such cases, for increased flexibility would increase the productivity of such funds.

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For What Can They Be Spent?

As regards the uses of expenditures from these accounts, the principles adopted on 18 February 1985 by the Government Presidium with two changes that expand them were retained.

Funds from these accounts may be used to pay for imports that contribute directly to production or indirectly through organizing patent protection on a cooperative basis, for equipping the industrial health service, or for purchasing professional literature (an expansion of the February regulations).

The second changes applies to the range of cooperative partners to whom the account holder may transfer a portion of the credits. Until now it was restricted to those partners who participated in export production. This limitation has been lifted. /As of 1 January 1986, account holders may transfer a portion of their credits to their partners on the basis of contracts with them./

The right of foreign trade enterprises to retained earnings from foreign exchange earned through transactions that do not involve Polish goods was also confirmed. The range of possible uses was expanded to include purchases to improve their own trade facilities with the special agreement of the minister of foreign trade.

An Experiment with Rubles

Also on 1 January 1986 a resolution of the Council of Ministers comes into effect that establishes experimental retained foreign exchange earnings accounts in rubles. Discussion of these accounts has lasted a long time, but now they have assumed a concrete shape.

The principal problem was reconciling the agreed trade levels, in trade in transfer rubles, with account holders' free disposition of retained earnings.

The formula to be tried in 1986 calls for priority for ruble account holders in agreed imports, in purchases above agreed levels with the agreement of trading partners, and in paying for the costs of participating in symposia and congresses, internships at research enters and scientific institutes from retained ruble earnings. The principles for paying for this type of travel will be determined by the minister of finance and the National Bank of Poland.

The rate of retention of ruble earnings is a uniform 8 percent for profitable exports and 4 percent otherwise.

The experiment includes enterprises that have signed bilateral international agreements, that participate in long term cooperation with socialist countries, and that are completing proexport investments. The minister of foreign trade will designate these enterprises with the advice of the other ministers. Since it is experimental, there will not be many participants.

Success will depend on the availability of goods above levels covered by interstate trade agreements. Foreign trade enterprises will play an important role.

These enterprises can retain 5 percent of earnings above the agreed trade levels. Sums earned in this manner will pay for imports needed for production for export, and to pay for improving the foreign trade enterprises' own trade facilities.

The experiment will last through 1986. During the second half of 1986 the minister of foreign trade with the minister of finance will evaluate the system and submit recommendations for the future to the Council of Ministers.

13021/9738
CSO: 2600/141

NEW REGULATIONS GOVERNING SMALL-SCALE MANUFACTURING

Warsaw DZIENNIK USTAW in Polish No 48,30 Oct 85 pp 642-645

[Decree of the Council of Ministers of 9 Sep 1985 concerning the specific conditions for granting permission to conduct business in small-scale manufacturing by foreign legal and physical persons, DZIENNIK USTAW 1985, No 48, item 247]

[Text] On the basis of article 8 paragraph 5 of the resolution of 6 July 1982 concerning the principles for conducting economic activity in small-scale manufactures by foreign legal and physical persons within the People's Republic of Poland (DZIENNIK USTAW 1985, No 13, item 59), the following is decreed:

Art. 1. Whenever the decree speaks of

1) resolution, it refers to the resolution of 6 July 1982 concerning the principles for conducting business in small-scale manufactures in the People's Republic of Poland by foreign legal and physical persons (DZIENNIK USTAW 1985, No 13, item 58),

2) administrative organs, it refers to the local, general administrative state administrative organs at the voivodship level,

3) foreign economic objects, it refers to objects listed in art. 1, pr. 1 of the resolution,

4) permission without further qualification, it refers to permission to conduct business in small-scale manufactures mentioned in art. 2 point 1 and 2 of the resolution,

5) government plenipotentiary refers to the Government Plenipotentiary for Foreign Affairs for Small-Scale Manufactures.

Art. 2. 1. Application for a permission by a foreign economic object

1) which is a physical person should be signed by that person,

2) which is a legal person should be signed by the person entitled to represent it,

3) which is an unincorporated partnership should be signed by the partners.

2. If the application is submitted in person by the applicant or his legal representative, the signature should be notarized by a state notary o fice or a Polish diplomatic post or consulate.

3. An application for expanding the range of business can be signed by the applicant or his legal representative, if such authority is included in the power of attorney.

Art. 3. 1. Foreign economic objects that are physical persons or unincorporated partnerships must attach the following to the application:

1) an extract from the applicant's passport other identity document containing the applicant's personal data and citizenship,

2) a copy of the power of attorney defined in art. 9 of the resolution or permission to establish a representation issued on the basis of the decree of the Council of Ministers of 6 February 1976 on the conditions, manner, and organs authorized to issue foreign legal ana physical persons the right to establish representations in the People's Republic of Poland to conduct business (DZIENNIK USTAW No 11, item 63, and 1984, No 26, item 133),

3) a listing of the declared monetary and material foreign exchange investments for starting all the types of business anticipated, separating construction costs, costs of machinery, technical instruments, transportation, tools, administrative inventory, and other items,

4) a copy of the partnership contract if business is to be conducted in partnership with an office abroad that is unincorporated.

2. Foreign economic objects that are incorporated must attach the following to the application:

1) a copy of the act of incorporation (statute, contract) of the corporation,

2) certification of the appropriate state organ, in whose area the corporation has its office, stating that that corporation has registered in accord with the legal regulations binding in this state,

3) the documents in paragraph 1, points 2 and 3.

3. Partnerships, created by foreign economic objects, based in Poland with the exclusively foreign participation and partnerships created by domestic and foreign economic objects based in Poland must attach the following to the application:

1) a copy of the act of incorporation (contract, statute),

2) exchangeable-currency permits to contract the partnership and to contribute shares,

3) the documents in paragraph 2, points 2 and 3.

4. A foreign economic object should submit the following to the administrative organs before receiving permission:

1) a document stating the legal title to a site (building, terrain) designated as the home address of the enterprise and for conducting business or a temporary contract or other document stating that the applicant will gain title to this site (building, terrain) after receiving permission,

2) a certificate from the Polish Security Bank that the initial deposit has been made.

5. Applications listed in paragraphs 1-3 must include explanations describing the intended business, particularly the supply of raw materials, machines, and instruments and the method of production and sales.

Art. 4. 1. Until the power of attorney mentioned in art. 9, par. 1 of the resolution or if it is revoked or death, administrative decisions and written documents concerning the intended or current business will be sent to the foreign economic object and copies to the person designated by them.

2. In the cases of the revocation of a legal representative, his death or a summons to establish a new legal representative, the foreign economic object should, as soon as possible, but no later than three months, designate a candidate for legal representative. He must be accepted by the Voivodship Office for Internal Affairs appropriate to the enterprise's home address.

Art 5. 1. Documents submitted to the administrative organs should be in Polish or translated by a sworn translator. A translation done abroad should be notarized by a Polish diplomatic post or consulate.

2. The originals of the documents listed in art. 3, par. 1, point 2 and par. 2, point 1 should be notarized. Documents drawn up abroad should be certified by a Polish diplomatic post or consulate.

Art. 6. 1. Before issuing permissions, administrative organs

1) evaluate the congruence of the intended activity with the directives of the government plenipotentiary defining the preferred directions of development of production and services, with the voivodship socio-economic plan, and with the particular economic needs of the voivodship,

2) establish, whether the declared monetary and material foreign-exchange investment suffices for starting up all of the intended types of business described in accord with the opinion drawn up at the applicant's request by an expert selected from the list of regular specialists,

3) request an opinion of the applicant and his business activities by a Polish economic-commercial post or consulate,

4) determine whether the applicant or legal representative are listed in the Central Register of Convicts of the Ministry of Justice,

5) request the opinion of the voivodship internal affairs office,

6) determine whether the applicant has had a permission revoked.

2. Before issuing the opinion and after consulting the Polish Security Bank, the administrative organs establishes the size of the initial deposit.

Art 7. If doubts arise whether issuing the permission might conflict with an important social interest or the national economy or to establish particular conditions for conducting the described business, the administrative organs will consult the government plenipotentiary, the appropriate minister or director of a central institution before issuing the permission.

Art. 8. 1. In addition to the items established in art. 14 of the resolution, the administrative organs will include in the permission:

1) the name of the enterprise, including the first and last names or the names (firms) of the foreign economic object submitting the application,

2) the first and last names or name of the legal representative,

3) the conditions and limitations protecting important social interest or the national economy, if they are necessary in the circumstances, especially in the light of the expert opinions,

4) the sources for raw materials and supplies,

5) the deadline by which the foreign-exchange investments declared in the application are to be completed,

6) the pledge, before starting production and providing services, to meet the conditions established in the particular legal regulations concerning the given type of business, especially for location, construction, fire prevention, sanitation, health and safety, and the environment.

2. In the permission the administrative organ defines the object and range of business activity in accord with the classification of the national economy established by the Central Office of Statistics and with the Systematic Product List or Service Classification.

3. If according to the special regulations undertaking the particular type of business requires obtaining a special permission, the administrative organ, issuing the permission on the basis of the resolution, will include the condition that the particular type of business can start only after obtaining the special permission.

Art. 9. 1. In establishing the period of validity, the administrative organ will consider:

1) the type of intended business from the point of view of the national economy and the preferred directions of business,

2) the size of investments and their predicted depreciation period.

2. The expiration date for the permission will be the end of a calendar year.

Art. 10. 1. The range of the issued permission can be expanded at the request of the foreign economic object in cases of starting, outside of the enterprise's site, within the business described in the permission: a new plant, a subplant, an assisting plant, a warehouse, an office, a sales office that sells only the firm's products, or other assisting facilities, or a store.

2. In the case of the acceptance of or the change of partners, if this act does not lead to incorporation, are handled according to par. 1 and art. 3, par. 3, point 2.

3. In cases listed in par. 1 and 2 and in the case of each change of the contents of the permission, art 6, par. 1, point 5 applies.

4. Expanding the range of the permission onto the territory of another voivodship requires the agreement of the appropriate local state administrative organ. This organ supervises the activities of the branches and offices, mentioned in par. 1, on its territory.

5. The expansion of the permission does not require the submission of the documents listed in art. 3, par. 1, point 3 nor establishes the initial deposit.

Art. 11. 1. On application of a foreign economic object holding a permission the administrative organ, after determining the absence of any obstacles, can issue a special permission for:

1) conducting business as a separate enterprise that was previously conducted a subplant or branch,

2) starting a new enterprise,

3) undertaking business not included in the branch listed in the permission held, according to the classification of the Central Office of Statistics and the Systematic Product List.

2. In the case listed in par. 1, the regulations of art. 2-6 apply, and in the case listed in art. 1, point 1, before issuing a permission for a new business, the administrative organ will consult with the administrative organ that issued the permission for the previous business.

Art. 12. 1. On application by the foreign economic object, an administrative organ can issue a new permission if

1) the foreign economic object, after leaving a partnership, possesses the necessary capital goods to continue the same business,

2) the foreign economic object intends to continue the business conducted on the basis of the permission already held by

a) forming an incorporated partnership,

b) transforming an unincorporated partnership into an incorporated one,

c) transforming an incorporated partnership into an unincorporated one.

2. In the cases listed in pr. 1, art. 2-6 apply, but if the partnership, mentioned in par. 1, point 2, is based in Poland, attaching the documents listed in art. 3, par. 1, point 3 and par. 4, point 2 is not required.

Art. 13. 1. Issuing a permission to a foreign economic object that holds a permission requires he submit the document listed in art. 3, unless these documents are already in the records of the case or the situation covered in art. 12, par. 2 exists.

2. In cases listed in art. 11, par. 1, point 1 and art. 12, par. 1, point 1, the foreign economic object making application should declare a supplement to the foreign-exchange investment and the initial deposit, made in starting the enterprise from which the new enterprise is to be separated, in order to meet the minimum size specified in the resolution.

Art. 14. In evaluating the application of a foreign economic object that has gained title to a foreign small-scale manufacturing firm through inheritance, contract, or gift, articles 2-5, with the exception of art. 3, par. 1, point 3 and par. 4, point 2, apply.

Art 15. 1. If the conditions listed in art. 18 of the resolution are found to exist in the conduct of the enterprise's business, the administrative organ can summon the legal representative to remove the infringements by a given deadline, informing the owner and his representative that failure to remove the infringements will result in revocation of the permission; the organ may also summon the owner to change the legal representative, who permitted the infringements.

2. The administrative organ can revoke the permission of a portion of the type of business in which the conduct infringed the legal regulations or the conditions of the permission.

Art. 16. 1. The administrative organ issuing the decision to revoke the permission will establish the period required to close the business, no shorter than three months. The period shall begin with the day the decision becomes final.

2. The period for closing the business shall assure:

1) the owner can meet his obligations to the State Treasury, institutions and units of the socialized economic sector and other creditors and to the employees,

2) the interests of contracting parties.

3. The decision to revoke the permission will include a clause requiring the foreign economic object within seven days from the date the decision becomes final to:

1) add the phrase "in liquidation" to the name of the enterprise, and

2) to place in voivodship and national newspapers two announcements stating the enterprise is in liquidation and the anticipated deadline for closing the business; the announcements should be repeated two weeks later.

Art. 17. 1. After issuing all the decisions in the case of a permission, the administrative organ will, without delay, send copies of them to the office of government plenipotentiary, the appropriate treasury chamber, Polish-Polonia Chamber of Industry and Commerce, and the voivodship office for internal affairs. Copies of decisions to revoke a permission should also be sent to the appropriate branch of the Polish Security Bank.

2. Copies of decisions to permit business in another voivodship shall also be sent to the appropriate local administrative organ.

Artl. 18. 1. The administrative organ shall maintain a register of the issued permissions and a register of denied permission.

2. The contents and the method for maintaining the registers will be determined by the Ministry for Domestic Trade and Services.

Art. 19. The decree becomes effective on the day of issuance.

A. Messner for the President of
the Council of Ministers

13021/9738
CSO: 2600/141

REGULATIONS GOVERNING WORKER PARTNERSHIPS

Warsaw DZIENNIK USTAW in Polish No 48, 30 Oct 85 pp 645-647

[Decree of the Council of Ministers of 4 October 1985 Concerning Worker Partnerships, DZIENNIK USTAW 1985, No 48, item 248]

[Text] On the basis of art. 86, point 2 of the resolution of 14 December 1982 about provisioning retired employees and their families (DZIENNIK USTAW No 40, item 267 and 1984, No 52, items 268 and 270), art. 43, point 43, point 3 of the resolution of 12 June 1975 concerning social services for work related accidents and illnesses (DZIENNIK USTAW 1983, No 30, item 144), art. 3, par. 8, point 2, letter a) of the resolution of 29 December 1983 on National Vocational Mobilization and Retraining Fund (DZIENNIK USTAW 1984, No 75, item 334 and 1985, No 37, item 194), art. 29c, point 2, letter b) of the resolution of 26 February 1982 concerning taxation of units of the socialized economic sector (DZIENNIK USTAW 1984, No 16, item 75 and 1985, No 12, item 50 and No 37, item 174) and art 13 of the resolution of 3 December 1984, Budget Resolution (DZIENNIK USTAW no 56, item 283), the following is ordered:

Art. 1. 1. The decree defines the principles and manner for establishing worker partnerships, referred to hereinafter as partnerships.

2. The partnerships can be organized in state enterprises, research and development centers, higher schools, design offices, and in other state organizational units, cooperatives and their unions, and in civic organizations that conduct businesses and their organizational units established to conduct such business, referred to hereinafter as economic units, for the purpose of:

1) establishing production or essential semifinished products, furnishing the machinery and cooperative elements,

2) conducting maintenance work, regeneration, and producing spare parts,

3) designing and introducing technical innovation, ensuring an increase in productivity or reducing the material and energy consumption of production,

4) providing services for the people and units of the socialized sector of the economy,

5) conducting retail sales or a service.

3. The members of the partnerships can work, outside of their normal, binding worktime, on unused or idle equipment and installations. Pensioners and retirees, and women on child-rearing leave can also work during normal worktime.

4. In economic units youth partnerships working for the Youth Social Action Fund can be established. The principles for youth organizations undertaking work for the Youth Social Action Fund are contained in separate regulations.

5. The conditions for conducting business by a partnership are:

1) in production and the provision of services for external recipients, the certainty of a profit above the business costs, including those of using the machines and equipment of the economic units,

2) in production and provision for the maternal unit, the costs shall not exceed those of normal worktime or subcontracting the work to another economic unit,

3) in organizing partnerships for designing and introducing technical innovations, the benefits from them must exceed the costs of introducing them.

Art. 2. 1. The partnerships may include the employees of the economic unit, retirees, pensioners, women on child-rearing leave, and members of their families and employees of thier units.

2. Directors of economic units should make participation in a partnership depend on the proper performance of duties during normal worktime.

3. Members of a partnership will select from among themselves their director, who will represent the partnership and in the name of its members conclude contracts with the economic unit, referred to hereinafter as a contract of the partnership. Assigning a power of attorney to the partnership's director for representing the partnership and concluding contracts in its name is done according to the principles and manner defined in the Civil Code.

Art. 3. 1. In particular, the contract of the partnership should define:

1) the obligations of the economic unit to provide the partnership with raw materials, supplies, semifinished products, goods, fuels, energy, and spare parts in quantities appropriate to the size of the production, sales, and services,

2) the hours of work on defined days of the week (month),

3) the quantity of finished or semifinished products (work and services) the partnership should produce of the appropriate quality, including normal production losses and defects,

4) the place and conditions of acceptance and the storage of raw materials, supplies, semifinished products, fuels, spare parts, and the final products, or goods, or the provision of services,

5) the wages of the partnership for:

a) products, production phases, work, repairs, or an analogous variety or type of services similar to those performed by the economic unit calculated on the basis of direct and indirect unit costs from the last semiannual period during normal worktime guaranteeing profitability,

b) other orders, calculated according to the quantity and character of the work performed and according to the conditions of art. 1, par. 5.,

6) deductions from wages for exceeding the contracted level of production losses and defects,

7) the principle of responsibility for production, repairs, and work covered by the contract,

8) the range of technical supervision by the economic unit and the forms of cooperation with the partnership,

9) the director representing the partnership to the economic unit.

2. The Civil Code applies to the contract of the partnership.

Art. 4. 1. Wages for the partnership will be delivered to the director of the partnership.

2. The wages shall be divided within the partnership by the director in accordance with the rules established by the partnership.

Art. 5. 1. Positions that require qualifications may be filled by members of the partnership with the required qualifications or who know how to operate the machinery and equipment used in the work and who have the requisite health.

2. The economic unit's technical supervisors will control the partnership's work and decide which positions can be filled by partnership members without the appropriate qualifications.

3. The costs of maintaining technical supervision will be born by the economic unit.

Art. 6. 1. The Minister of Labor, Wages, and Social Services will exclude the wages to the partnership from the wages subject to overtime tax rates.

2. Wages paid partnerships are not subject to taxes for the National Vocational Mobilization and Retraining Fund as described in other regulations.

3. Production by the partnership should be recorded separately by the economic unit, and its value for calculating taxes for the National Vocational Mobilization and Retraining Fund is excluded from the value of production sold by the economic unit (also in calculating the production in natural units). If the unit employes a net-production-sold measure of value, then material cost, proportional to the share of the production by the partnership in the total value of production sold, is also excluded.

Art. 7. 1. The economic unit bears the responsibility for the safety and working conditions of the members of the partnership.

2. In case of an accident, the members of the partnership or members of their families have the right to social services as stated in the resolution of 12 June 1975 concerning social services for work related accidents and illnesses (DZIENNIK USTAW 1983, No 30, item 144).

Art. 8. Wages of retirees and pensioners working in partnerships are not subject to the limits stated in the decree of the Council of Ministers of 7 March 1983 concerning wages or other income earned by retirees and pensioners (DZIENNIK USTAW 1985, No 40, item 197).

Art. 9. 1. Partnerships organized by budgetary units should act as auxiliary economic units.

2. In partnerships organized in budgetary units, profits from the partnership's work will be retained by the economic unit.

3. Impersonal wages in auxiliary economic units and budgetary units that form partnerships can be exceeded by payments to the members of these partnerships within the income above plan due service provided and production above the plan.

Art. 10. Art. 6, par. 2 applies to taxes for the National Vocational Mobilization and Retraining Fund for 1984 and 1985.

Art. 11. The Decree of the Council of Ministers of 14 November 1983 concerning worke s' partnerships organized in economic units producing for the market is hereby cancelled (DZIENNIK USTAW no 68, item 302 and 1984, No 39, item 203).

Art 12. The decree becomes effective on issuance.

A. Messner for the President of
the Council of Ministers

13021/9738
CSO: 2600/141

NEW REGULATIONS GOVERNING FIRM HARD CURRENCY ACCOUNTS

Warsaw MONITOR POLSKI in Polish No 32, 7 Nov 85 pp 375-376

[Cabinet Law No. 152 from 4 October 1985: "Concerning Specific Rules for Opening and Using Hard Currency Accounts in Convertible Currency"]

[Text] On the basis of article 28 paragraph 4 of the Law of 26 February 1982 Concerning Financial Management of State Enterprises (Journal of Laws of the Polish Republic: No. 15, item 74; No. 26, item 129; No. 34, item 181; No. 54, item 275, all from 1984; and No. 37, item 174, from 1985) and in connection with article 17 paragraphs 1 and 2 of the Law of January 31, 1985 Concerning Small Manufacturers (Journal of Laws of the Polish Republic: No. 3, item 4) as well as article 86 of the Law of September 16, 1982--Cooperative Law (Journal of Laws of the Polish Republic: No. 30, item 210; No. 39, item 176, from 1983) the Cabinet has resolved the following:

1. The law designates the guidelines for establishing the amount of hard currency originating from the sale of goods and services abroad to which a business enterprise is entitled and the utilization of these funds. The law applies to state and mixed enterprises, trade law partnerships working with government run enterprises, cooperatives and their unions, social organizations pursuing economic activity, and organizational units of the "Polish Post, Telegraph and Telephone".

2. According to the law the receipt of hard currency may be:

1) The receipt of hard currency and cash in convertible currency by the National Hard Currency Bank;

2) The acknowledgement of debts in a foreign bank on behalf of an organized enterprise;

3) The receipt of clearing currency in settling accounts with countries of the second area of payment;

4) The realization of the amount due in a different form than the receipt of foreign currencies, determined by the minister of foreign trade to be the equivalent to the receipt of convertible foreign currency;

5) Credit amounts due from foreign contracting parties resulting from the sale of goods and services, recognized as adequately secured and discounted by the National Hard Currency Bank.

3. 1. The amount of hard currency at the disposal of the individual firm is the amount of hard currency received minus:

1) transaction costs, including shipment, insurance, commissions for foreign agents, and any payment in hard currency to the project originators;

2) amortization of hard currency installments and interest obtained in accordance to the contract concluded between the National Hard Currency Bank and the individual enterprise;

3) hard currency expenses due to correcting defects in exported goods or due to returned goods, with the stipulation that should there be hard currency expenses the unit of foreign trade may request that the National Hard Currency Bank deduct that portion from the hard currency account of the producer of the defective goods or services;

4) installments received from foreign contracting agents, accumulated in accounts of export installment funds kept in the National Bank, appropriated in their entirety for imports needed for the implementation of production geared toward export;

2. The amount of hard currency at the disposal of transportation and fishing enterprises and organized government entities of the "Polish Post, Telegraph and Telephone" are determined by:

1) the receipt of convertible currency from foreign contracting agents;

2) the value of transporting services undertaken on behalf of units of foreign trade, determined by carrier invoices;

3. Hard currency accounts for units of foreign trade are to be determined by surplusses in receipts in convertible currencies, obtained through re-export transactions and specific foreign trade transactions of a temporary nature.

4. 1. The rate of hard currency earned to which individual firms are entitled determines which portion of the hard currency receipts mentioned in 3 is included in the hard currency account.

2. The amount of hard currency that the individual firm has at its disposal is determined by the minister of foreign trade in agreement with the minister of finances.

5. 1. Hard currency acoounts are accumulated in a separate account of the individual enterprise kept in the National Hard Currency Bank.

2. Hard currency accounts may be either of a recorded or a property nature. The nature of the account is determined by the National Hard Currency Bank at the request of the individual enterprise.

3. The individual enterprise has the funds accumulated in the hard currency account at its disposal.

4. Individual enterprises may agree to open a comprehensive hard currency account, delegating the right to administer in their name the funds accumulated in the account either to the unit of foreign trade, the association or the unit chosen from among the participants in the agreement. In this case the organizing unit is not entitled to an individual rate for the hard currency account.

6. 1. The individual enterprise may allocate the hard currency funds accumulated for the following purposes:

1) for the financing of imported supplies for current production needs, and in special cases, as a supplement to assure purchases which are encompassed by centrally-financed imports and the implementation of tasks resulting from operating programs and government orders;

2) for the financing of the importation of replacement parts and materials, as well as articles serving for the continuation of production capabilities and those of cooperating enterprises in production;

3) for the financing of the importation of machines and equipment with the goal of creating and modernizing permanent production assets or for the investment needs connected either with beginning pro-export production or the initiation of scientific-technical progress creating the possibility of export;

4) for the development of an indispensible national cooperative network and for lowering hard currency expenses incurred through the financing of imports for the production of finished goods, especially those for export;

5) for the payment of installments and interest on hard currency credits in accordance with the agreements concluded with the National Hard Currency Bank;

6) for the protection of inventive projects, the buying of licenses and scientific-technical achievements connected to production;

7) for the financing of importation of medical apparatus and equipment for the health service, providing they are undertaking production activity or services characterized by arduous conditions hazardous to health;

8) for the purchase of professional literature.

2. Transport and fishing industry enterprises and government organized entities of the "Polish Post, Telegraph and Telephone" may allocate hard

currency funds accumulated in the account for the purposes mentioned in paragraph 1 and for covering expenses connected with operating a canvassing activity as well as for the payment of installments and interest on foreign credits.

3. Units of foreign trade may appropriate the funds accumulated in the hard currency accounts for the financing of:

1) transactions mentioned in article 3 paragraph 3;

2) the importation of export production in export production units;

3) the importation for improving own technology of trade activity on the basis of individual decisions of the Foreign Trade Ministry.

4. Organized entities possessing hard currency accounts relinquish a portion of the hard currency funds to the hard currency account of cooperatives and other units cooperating based on the agreements concluded between them which deal with the production of finished goods or directly finances from its own hard currency account the import needs of cooperating enterprises and any units working in cooperation in the realm mentioned in paragraph 1.

5. Cooperatives and other units working in cooperation in the implementation of production may accumulate the obtained hard currency funds in accounts with the National Hard Currency Bank and appropriate them for purposes mentioned in paragraph 1.

7. 1. For the year of 1986 the rates of hard currency set by the Minister of Foreign Trade and the Minister of Finances on the basis of 5 paragraph 1 of Cabinet Law No. 134 of June 28, 1983 Concerning the Use of a Percentage of Hard Currency Receipts Gained from the Selling of Goods and Services in Export (Journal of Laws of the Polish Republic: No. 18, item 157).

2. If demonstrated that the amount of the rates are inappropriate for the conditions of 1985 the Ministry of Foreign Trade in agreement with the Minister of Finances may set the rate at a different limit.

3. Taking into consideration the standardization of rates as well as the dependence between the size of the account and the export effectiveness, the formation of a system of hard currency accounts for the years 1987-1990 will occur according to the principles determined in the social-economic plan for the years 1986-1990.

8. Cabinet Law no. 134 from June 28, 1982 Concerning the Use of a Percentage of Hard Currency Receipts Gained from the Selling of Goods and Services in Export (Journal of Laws of the Polish Republic: No. 18, item 157).

9. The law takes effect on January 1, 1986

Z. Messner in lieu of the Premier

13073/12948
CSO: 2600/166

ECONOMY POLAND

PLANNING CHIEF OUTLINES COVERAGE PLAN, ROLE OF BIWEEKLY

Warsaw RZECZPOSPOLITA (REFORMA GOSPODARCZA No 22 Supplement) in Polish 12 Dec 85 p 1

[Article by Franciszek Kubiczek]

[Excerpts] The duties of the Office of the Governmental Plenipotentary for Economic Reform have been assumed by the Planning Committee of the Cabinet. In connection with this, the supplement "Economic Reform" will henceforth be edited and published by the Planning Committee and RZECZPOSPOLITA.

Materials, information and essays which deal with the functioning of the economy and business in particular will predominate in the columns of REFORMA GOSPODARCZA. The main topic line will be upheld and continued.

We will treat the supplement as an instrument of dialogue between the central planner, those deciding economic matters and business management. We will broadcast our own information, appraisals and suggestions in the supplement, and at the same time ask for opinions, appraisals and suggestions from the business community. Businesses-consultants will play a role that is especially important in this dialogue. The planning committee will continue the procedure of cooperation with them which was established earlier. As in the past, they will receive for consultation information and proposals of the intended solutions in the system. In addition, there will be meetings with representatives of the government and various central institutions. We intend to braoden the scope of these consultations and meetings about issues dealing with the central plan.

Normative acts concerning economic instruments, mechanisms and parameters will also be published immediately upon being signed. They will be accompanied by complete explanations, commentary, and to the extent necessary, training materials prepared by the project authors of these legal regulations. Particular attention will be paid to the intentions and expectations which are contained in the normative acts under study.

In addition, analyses and appraisals of good and bad examples taken from business activity will be published. There will be examples of initiative, accomplishment, development activity, sound economic thought as well as examples of inefficiency, short-sighted activity, lack of economic discipline, particularly those concerning economic relations. Circumstances which inevitably lead to a collapse of a business will also be discussed.

We will try to take full advantage of the Planning Committee's information base and publish problematic and macroeconomic appraisals meant for business management personnel. These appraisals will chiefly cover the economic situation of the country together with indication of potential trouble, irregularities, and deviations in the implementation of the central plan. In addition, there will be discussions of economic policy assumptions and problems, both current and long-range with special regard paid to the program of structural changes, scientific-technical progress and activities aimed at saving materials, fuel, energy and raw materials.

The supplement will diseminate the experience of socialist countries in improving the functioning of the economy. It will also discuss issues of the integration process into the framework of the Council of Economic Mutual Assistance, such as the creation and functioning of joint enterprises, joint investing and technical ventures, the development of direct connections between Polish businesses, scientific-research units, planning-construction units and their counterparts in socialist countries.

In theory, REFORMA GOSPODARCZA will continue to be a biweekly. However, when the need arises it will appear more freqently. The Planning Committee and RZECZPOSPOLITA plan for some issues of the supplement to be devoted in their entirety to one topic. Supplements in the near future will be devoted to the problems connected with the bestowing of awards, workplace economic groups, and various other topics.

The Planning Commission is counting on the cooperation of the readers very much and for this thanks them in advance.

13073/12948
CSO: 2600/166

BRIEFS

GENERATOR FOR NUCLEAR POWER PLANT--In the lower Silesian Electrical Machine Building Plant "Domel" in Wroclaw construction has begun on a 500 MW turbogenerator intended for the first Polish nuclear electric power plant in Zarnowiec. This will be the largest electrical machine built in Poland. The 500 MW turbogenerator was designed by the "Domel" design bureau, adapted by licence from a design of the Swiss firm BBC. During the first phase of of production the "Domel" construction crews will process many parts, equipment, body plates, etc. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Nov 85 p 1] 9970/12948

MACHINE TOOL COOPERATION WITH USSR--Vicepremier Zbigniew Szalajda recieved the Soviet minister for the machine tool industry, and chairman of the CEMA Committee on Cooperation in the Machine Industry, Boris Bal'mont. The discussion dealt with matters relating to enhancing cooperation within CEMA and on increasing mutual deliveries in the machine tool area. Also discussed were problems related to enhancing scientific-technical cooperation and setting up joint organizations to increase cooperative deliveries between the two countries, as well as modernizing and improving the selection of goods produced. Soviet ambassador Aleksandr Aksenov participated in the meeting. [Text] [Warsaw ZYCIE WARSZAWY in Polish 21 Nov 84 p 6] 9970/12948

NEW GANTRY FOR PORT--The teams of Mozostal Poznan and Elektromontaz Szczecin have completed installation of a large gantry on the modern crane on Hutnikow Embanknment at Swinoport. Also involved in the operation was the largest floating crane in Poland, which belongs to the Polish Ship Salvage Enterprise of Gdynia. The new crane will be used to unload ore from the largest ships visiting the port of Swinoujscie. Together with the enormous gantry it is 72 meters high, the highest such piece of equipment at any port on the Szczecin coast. It will be able to unload 70,000 tons ships, some of which are already in service in the Polish Steamship Company [PZM], and whose number will continue to increase in coming years. The crane's daily output is more than 24,000 tons. This will considerably shorten the time spent on unloading large ships. [Text] [Warsaw ZYCIE WARSZAWY in Polish 23-24 Nov 85 p 6] 9970/12948

POLISH-ITALIAN AUTO INDUSTRY TALKS--A delegation of the Polish auto industry, led by Janusz Maciejewicz, minister of machine industry metallurgy. The delegation held talks with the management of FIAT, devoted to cooperation between Poland and that company, especially as regards prospects for cooperation in production of low and medium power passenger cars. [Text] [Warsaw RZECZPOSPOLITA in Polish 21 Nov 84 p 1] 9970/12948

POLISH-PAKISTANI MINING, ENERGY DEAL--A delegation of the Ministry of Water and Energy of the Islamic Republic of Pakistan has concluded a visit to Poland. On 22 November the head of the delegation, Minister Mir Zafarullah Khan Jamali, was received by Vicepremier Wladyslaw Gwiazda. On 22 November the Pakistani guest and Viceminister for Mining and Energy Ryszard Buchowiecki signed a protocal which provides for a significant increase in Polish-Pakistani cooperation, including technical cooperation, in mining and energy. [Text] [Warsaw TRYBUNA LUDU in Polish 23-24 Nov 85 p 2] 9970/12948

FOREIGN TRADE MINISTRY--Warsaw, Jan. 25--On the motion of the foreign trade minister, the prime minister appointed Helmut Stefan Floeth, an economist, to the post of under-secretary of state at the ministry. Helmut Stefan Floeth, 50, was born in Dortmund. He earned his degree in economy at the Warsaw Main School of Planning and Statistics. For over 28 years now, he has been working at the Foreign Trade Ministry, holding managerial posts in Poland and abroad. Recently, he was deputy head of a department at the Foreign Trade Ministry. [Text] [Warsaw PAP in English 1713 GMT 25 Jan 86 LD] /6091

TONNAGE CARRIED BY STEAMSHIP COMPANY--Half a billion metric tons of goods have already been transported by the fleet of the Polish Steamship Company [in its history]. The loading of the symbolic half-billionth metric ton took place today in Swinoujscie on the ship "MS Walka Mlodych." [Text] [Warsaw Television Service in Polish 2025 GMT 30 Jan 86 LD] /6091

LIGNITE MINE EXTRACTION--At the Konin lignite mine, the 250 millionth metric ton of coal has been extracted. [Excerpt] [Warsaw Television Service in Polish 2025 GMT 30 Jan 86 LD] /6091

REGIONAL INSPECTORATE FINDINGS--Activity for the protection of the interests of consumers and [protection of] public property, undertaken by the regional inspectorate of the State Trade Inspectorate (PIH) in Poznan, was the subject of today's conference attended by PIH Chief Inspector Piotr Ostaszewski; Deputy Voivoda Tadeusz Zajac; and the director of the NIK [Supreme Chamber of Control] delegation in Poznan, Jozef Adamczyk. The head of the regional inspectorate, Waclaw Wierzbicki, reported that 2,000 check-ups aimed at combating speculation in the trade network were conducted last year as well as 5,000 quality control checks. One thousand cases were submitted to the courts and the penal-adjudicating courts [kolegium karno-orzeka-jace]. A lowering of the prices of goods not corresponding to the stated quality--by 9 million zlotys--was ordered. Inspections were carried out at 150 shops last month, of catering establishments and service premises. Again, several dozen irregularities were revealed. Such activity will be continued in the present year with stepped up intensity, in conjunction with other organs of control, inter alia the worker-peasant inspectorate. [Text] [Wroclaw Domestic Service in Polish 1607 GMT 31 Jan 86 LD] /6091

'DRY PORT' TRANSSHIPMENTS FROM USSR--(PAP) During the first 10 months of this year the crew of the country's largest land port Zurawica-Przemysl-Medyka has already received 9.5 million tons of raw materials and goods delivered to us by the USSR. This is more than 800,000 tons more than foreseen in the plan. Recently the deliveries have been greatly increased and the rate of deliveries has yet to slacken. During the past 24 hours the port has received more than 35,000 tons of various shipments. Soviet trains regularly arrive in Medyka and Zurawica bearing refined concentrates of ore and open-hearth pig iron for Polish steelworks as well as other goods. [Text] [Warsaw TRYBUNA LUDU in Polish 4 Nov 85 p 2] 13073/12948

CSO: 2600/166

POLITICS

ALBANIA

ACADEMY PRESIDENT REPORTS ON VISIT TO GREECE

Tirana ZERI I POPULLIT in Albanian 26 Dec 85 pp 3-4

[Article by Prof Aleks Buda, president of the Academy of Sciences of the People's Socialist Republic of Albania: "Visit to a Friendly Country"]

[Text] The invitation which the Academy of Athens, the National Academy of Greece, directed to us some time ago to make a visit and to deliver a scientific address there, was a friendly gesture of the neighbor country's high level center of culture toward our Academy of Sciences. It gave us the opportunity during our stay to visit a number of institutions of the academy and to become acquainted with their activity, also to conduct fruitful negotiations related to the possibility of cooperation between our two institutions in a number of fields.

It is understandable that this trip and its purpose aroused special interest on our part. We were going to the hearth of an ancient and enlightened culture, to the homeland of great figures who represent centuries of world culture. We were going to a land which has fought for freedom down through many centuries, from legendary Thermopylae to the battles of the people's struggle for independence of 1821 and of the great war against the Italian and German fascist slavemasters; and we could not forget that in many of these historic events and encounters the people of our two countries had stood alongside one another in battle against our common enemies. As Comrade Enver Hoxha said, with the keen analysis of a historian and the lively experience of a contemporary and participant in the most dramatic events of the time, these were the circumstances which created the objective factors which stand at the foundation of the friendly feelings of the two peoples. Historical experience has made it plain that the true interests of nations are represented by those social factors which attempt to realize the basic tasks of the time: socio-political liberation, material and cultural progress, the free and independent development of the country, peaceful cooperation among peoples. Regardless of obstacles, historical experience shows us that there have always existed circumstances and reasons which make this cooperation possible. History is a witness that from these relations have come a chain of fruitful impulses which have had a positive influence on the mental and cultural life of our countries, as always happens when people have the possibility of adopting new progressive ideas by common cultural work.

Devoted to this road of receiving and giving in its different aspects was the address "Albanian-Greek Meetings Under the Sign of Illuminism in the 19th Century," which was delivered before the plenum of the Academy of Athens with the attendance of Greek and foreign scientists, also other personalities, friend and well-wishers of our land. It outlined the road of Greco-Albanian cultural and political relations from the Middle Ages and paused especially in the middle of the 19th century, when the Albanian cultural and socio-political movemnt entered as a self-determining factor in a new higher stage in the ranks of Balkan liberation and democratic movements. On the road of warfare for liberation from political slavery and intellectual and spiritual shackles of the common enemies, the regime of the sultan and his ally the patriarch of Constantinople, the Renaissance figures of the Balkans and all this region including Greeks and Albanians, sought and found weapons in the militant ideology of western Illuminism. It was not by chance that the first Albanian ideologists such as Naum Veqilharxhi, Thimi Mitko, Jani Vreto, Kristoforidhi and after them Ismail Qemali, Naim and Sami Frasheri, in the struggle for the national rights of their own people, as likewise the Greek Renaissance figures used those same arguments against the universal medieval concepts, that it was not religion and state's rights which determined the destiny of a people.

From these common progressive positions the Renaissance figures developed their efforts; consistently they pursued these principles even when they were obliged to direct criticism and finally even warfare against those who had formerly been their own teachers. With this the Albanian Renaissance affirmed its own maturity and ideological and political emancipation, beginning, as was natural and understandable with the concrete socio-historical conditions of their own homeland. History has never been a smooth flow of events; the dialectic of class societies brought it about that the history of our two neighboring peoples in the 19th century knew both ideological contradictions and conflicts, often incited by external factors expressed negatively to the harm of the two peoples. Impressing you today, even as it did not fail to do among those who heard their addresses, was the mental consistency with which J. Vreto, Thimi Mitko, P. Vasa, Thimi Brandi presented the historico-scientific and political arguments which sought and made possible cooperation of Albanians with their Greek neighbors and vice versa. Not a single bit of harm could come to the Greek people from a liberated and independent Albania. Of this opinion were also a number of figures of Greek political thought of the time, among whom the traditional feeling of friendship toward the Albanian people found expression; such were Z. Sotiriu, L. Vulgaris, A. Gudhas, the first Greek specialists, the Albano-Greek Panajot Kupitori, A. Kullurioti and others. These feelings and thoughts found an especially inspiring expression in the poem of our great poet Naim Frasheri, "The True Desire of Albanians." They were quotations from this poem which closed the address amid the applause of the auditors.

It was a great pleasure for us to hear viewpoints similar in tone expressed in the speech by which the President of the Academy of Athens Prof Dr Lukas Musulas presented and greeted our delegation before the audience. His words were nourished by the traditional freeling of the Greek people for our people. It wasnot only these, but also the objective circumstances of the times which according to his words, sought to bring a closer fellowship among the scientists of the two countries. In the conversations which developed among the representatives of the two academies, we emphasized that regardless of the fact that there may exist certain differing viewpoints on a number of matters, especially in the historical sciences, we think that a better acquaintance with the results of research carried out by the scientists of the two countries in different fields, the exchange of experience gained and constructive debate about them, constitutes a very valuable road. The widening and deepening of scientific relations between our two countries will be able to serve this purpose. In the field of history such an attitude of cooperation, for example, would be able to help build relations between the two peoples in the objective manner which the interests of the people themselves demand.

Corresponding to these viewpoints were the opinions expressed by the president of the host academy, who stressed the interest of the Academy of Athens in each cultural and scientific activity on an international scale, a matter expressed in the signing of agreements of cooperation with a number of academies, among which the Academy of Athens wished to have an agreement also with the Academy of the People's Socialist Republic of Albania (RPSSH).

These benevolent attitudes of both parties, and of the governments of the two respective countries, made it possible on November 28, 1985 to sign at the seat of the Academy of Athens an agreement of cooperation between the Academy of Science of the RPSSH and the Academy of Athens. The signing was accompanied by a solemn act in which a representative of the Ministry of Foreign Affairs of the Republic of Greece and of the RPSSH also participated. Signing the agreement, both parties expressed the wish "for a prosperous and fruitful cooperation" between the two institutions, a thing which would also serve to strengthen cooperation between the two neighbor countries and the two friendly peoples.

The conference held at the seat of the academy, the ceremonial act of signing the agreement and the many cordial meetings which our delegation had on different occasions with distinguished personalities of scientific and cultural life, as well as political circles and Greek journalists, gave us the opportunity to ascertain the broad sympathy which our country and its friendly policy toward the neighbor country enjoys in the broadest circles of Greek public opinion. Especially warm were the meetings with a number of Greek scientists of different disciplines and institutes who have visited our country over the years, invited by our Academy of Sciences on the occasion of national or international conferences. All of them cherished very warm memories of the reception which they found in our country and highly valued the achievements of our science in different fields, such as, recently, the Assembly for Illyrian Studies.

Especially worth emphasizing was the meeting with the minister of foreign affairs of the Republic of Greece, Mr Carolos Papulias, who, in the two meetings which he had with our delegation expressed himself in a very warm and cordial manner in regard to the agreements between the two peoples and out lands. Responding to our thanks for the honor shown by his attending the address held at the academy, regardless of its length, the minister emphasized that this was truly a visit to scientific character, but it should not be forgotten that it also had a political significance for both parties, because it helped to further deepen the friendly agreements not only of scientists, but also of the two peoples and our two lands. In this direction the scientists and men of culture and the arts generally in the two countries have a special role. He emphasized that he wished such visits and conferences were more frequent, and voiced the desire to help in any way in this direction. On our part it was emphasized that even with the difficult conditions of the past we have certainly given importance to these agreements, as evidence by the number of invitations extended to Greek scientists.

The delegation made a number of visits to certain study centers near the Academy of Athens, also to different museums of archaeology and medieval art. These visits showed the high standard attained by Greek science, and on the other hand, the great interest which Greek scientists of different fields display for closer agreements of cooperation with scientific insticutions of Albania. Many requests were made for exchanges of scientific literature and for visits to our country, not only in the field of history and culture, but also in the biological, natural and other sciences. The two countries have many similar or common conditions. In this direction the signing of the agreement of cooperation between the two academies met with general approval which we even came across in the university circles of Athens, Ioannina, etc.

A visit to Athens and to Greece generally would not be complete without devoting attention also to the many monuments of art and culture, to the beauties of nature for which this land is so rich and famous. And even if it were not the first time, a visit to the Acropolis cannot fail to leave deep, unforgettable impressions. Standing in the center of the city, the majestic rock endowed with immortal monuments is everywhere present; it is seen from every part of the city; on it fall the first rays of the sun and from it fade the last. Although the great masterpiece of Phidias is missing today, the statue of the goddess who gave the name to the city, Pallas Athena, lives and will live forever, the goddess of wisdom, knowledge and science. With adoration we climb the steps which take us to the masterpieces of world art, but we go with adoration also toward that place where the freedom-fighters with courage raised the national flag in the dark night of fascism as a sign of the triumphant future. Great work is being done at the Acropolis for the protection of endangered monuments.

The visit to Cape Sunion awakens unforgettable emotions: to stand on the heights washed by the light at the base of the Temple of Poseidon, to see the endless breadth of the azure sea, makes you immortalize the deep emotions. With friends and Greek colleagues we recite the majestic verses of Homer and their heavy epic tolling makes us see in the azure blue of the sea at our feet the vessel of the shipwrecked Odysseus who, beaten by the waves, seeks the way to the homeland. And the eye thirsting for poetry discovers on a hidden edge of a classical column the name of the great Byron, poet and friend of freedom-fighters, Greek and Albanian and wherever they were. He left here his own modest signatures: "Byron 1815."

You cannot set you foot anywhere in Greece without encountering history. In the old city of Ioannina we pass with special excitement, with a feeling of emotion, through the streets and alleys, seeking the old Zosime school. We are moved with emtion when we remember that this pavement was trodden in the past by the feet of Jani Vreto, Kostandin Kristoforidhi, Ismail Oemali, Abdyl, Naim and Sami Frasheri. Majestic, epic in its kind is the fortress of Ioannina: stone, harsh rock, washed with blood, that fortress about which we long ago as children in distant Elbasan sang the song learned from our mothers: "O fortress with battlements / what a lion you have within, / Ali Pasha with seven hearts."

But it is not only the pulse of history which beats in Ioannina. It is a lively city where new scientific forces are setting on its feet a new active university, full of initiative. There we find deep friendly feelings. The address was given there with a very wide attendance from very different circles: professors, students, ordinary people and friends from our country.

Escorted by the Rector of the University of Ioannina Professor Dhimitrios Metaxas and other colleagues and friends, we leave this city taking the best and warmest memories, as from all of Greece. Crossing the state frontier at Kakavije by night, we remember on this occasion another episode with much significance. In the ceremony of the opening of this border point, which was turned into a popular festival, professors of the university also took part, and one of them sent us a very meaningful gift: one of his books for his Albanian colleagues.

13083/6662
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CHNOUPEK DISCUSSES DISARMAMENT WITH FRG'S GENSCHER

LD051636 Hamburg DPA in German 1531 GMT 5 Feb 86

[Excerpts] Karlovy Vary, 5 February (DPA)--Czechoslovak Foreign Minister Bohuslav Chnoupek has today stressed the common responsibility of the Europeans for security and disarmament, which FRG Foreign Minister Hans-Dietrich Genscher has repeatedly emphasized. During the German-Czechoslovak talks at the foreign minister level in Karlovy Vary, the ministers conducted a thorough discussion of opportunities for contributing jointly to success in the Stockholm disarmament conference, the Vienna talks on troop reductions and the CSCE process as a whole. The central organ of the Czechoslovak Communist Party, RUDE PRAVO, praised Genscher's initiatives on the same day.

At this 12th German-Czechoslovak meeting between foreign ministers, Chnoupek stressed the "mutual interests" in an expansion of bilateral relations. Genscher expressed the hope that it would be possible to conclude the environmental agreement, which has been in preparation for a long time, by the summer. At the same time, however, it was made clear that the Prague Government has not yet been able to decide to accept the German demand to include West Berlin.

On the subject of the most important German demand, the worldwide banning of chemical weapons, on which discussions are currently being held in the UN Disarmament Committee in Geneva, Choupek repeated in an after-dinner speech the East's view that regionally limited agreements should be made ahead of any eventual agreement.

For the German foreign minister, who wants to make the meeting in the CSSR the starting point for a new series of contacts in connection with Ostpolitik this year, it is especially important how the Czechoslovak leadership evaluates the East-West situation after the Geneva summit. Chnoupek here called insistently on the West to take the disarmament proposals made by Soviet Party Chief Mikhail Gorbachev seriously. However, this presupposes a renunciation of the U.S. Stratigic Defense Initiative.

In this connection, the CSSR foreign minister pointed to the moral obligations of the "spirit of Geneva" to "rise above the tactical calculations of the general staffs." Genscher replied that the aim was "to prevent the arms race in space and to end it on earth."

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CSO: 2300/210

PRESS RELEASE ON 4-6 FEB LIBYAN PRODUCERS VISIT

AU070958 Prague PRACE in Czech 6 Feb 86 p 3

[CTK Report: "Press Release on the Sojourn of a Delegation of the General Congress of Producers of the Socialist People's Libyan Arab Jamahiriyah"]

[Text] Prague (CTK)--A three-member delegation of the General Congress of Producers of the Socialist People's Libyan Arab Jamahiriya, led by Secretary Ali Faraj al-Gabsi [spelling as published], on 4-6 February paid a visit to Czechoslovakia at the invitation of the Central Trade Union Council [URO]. For the Czechoslovak side, talks with the Libyan guests were conducted by URO Secretary Viliam Kozik and by Emil Gorchol, head of URO's International Department.

During their talks, the representatives of the two organizations briefed one another about the most important tasks of the trade union movement in their two countries, assessed the cooperation to date, the positively developing relations, and affirmed the interest in strengthening and deepening them further.

When assessing the current international situation, the representatives of the Czechoslovak and Libyan trade unions paid exceptional attention, in particular, to the situation in the Middle East. They expressed strong alarm over the escalation of tension in the area, especially over the gross provocations directed against the independence and sovereignty of Arab countries. In this connection, they sharply condemned the continuing preparations of the United States and Israel for an armed aggression against the Libyan Jamahiriyah--above all the continuing provocations off the Libyan coast--and other forms of pressure on that Arab country, including air piracy and state terrorism, proof of which was also the recent airjacking of a Libyan civilian aircraft by the Israeli Air Force, carried out with direct U.S. support. They resolutely demanded an immediate halt to these provocations which constitute a grave danger to all states in that region and to world peace.

In this connection, the two sides depicted efforts aimed at maintaining peace and averting nuclear catastrophe as the fundamental question of mankind's future. They fully supported the principled policy of the USSR and the other socialist countries aimed at eliminating dangerous hotbeds of international tension, halting the arms buildup, and at peaceful cooperation in outer space. They, in particular underscored and expressed unequivocal support for the exceptionally weighty initiatives of the Soviet Union, contained in the statement of CPSU Central Committee General Secretary Mikhail Gorbachev of 15 January 1986, whose essence is to rid the world of nuclear and chemical weapons by the end of the century, and substantially limit the current volume of conventional weapons and armed forces.

The representatives of URO and the General Congress of Producers affirmed their solidarity with the struggle of all progressive and revolutionary forces in Asia, Africa, and Latin America against imperialism, neocolonialims, Zionism, and apartheid, against the policy of monopolies and all forms of exploitation of man by man. They favored the liquidation of dangerous hotbeds of international tension in the world and a just settlement of conflicts on the basis of an unconditional right of nations to a free path of their development and noninterference in internal affairs.

At the end of the talks, the two sides expressed full satisfaction with the course and the results of the visit. The Libyan delegation expressed thanks for the hospitality and friendly reception accorded to it in Czechoslovakia.

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CSO: 2400/187

OMISSIONS, FAILURES OF IDEOLOGY FRONT SCORED

AU121224 Bratislava PRAVDA in Slovak 10 Feb 86 p 1

[Editorial: "Socialist Conviction"--Uppercased words published in wide-spaced type]

[Excerpts] The shaping of socialist awareness and conviction, which is the integrating nucleus of the socialist way of life, represents an unusually complicated process that is full of internal contradictions. This fact has been confirmed by the entire practice of building socialism so far. Now, in the period of building a developed socialist society, it is getting into the focus of our interest with new urgency.

In this connection, we would like to look at one problem, the incorrect perception of which brings about stagnation, and sometimes even defeatist attitudes, in an area of such importance as ideological influence, ideo-educational work.

For a relatively long time already, we have felt the essential need to radically raise the overall standards and quality of ideological work, and, consequencly, to raise its efficiency and flexibility. Let us recall what the CPSU Central Committee session of June 1983 had to say about this problem: "Our entire ideological, educational, and propaganda work must be resolutely raised to the level of the grand and complex tasks which the party tackles in perfecting developed socialism.... We see clearly what grave damage is caused by shortcomings in this work.... On the other, we feel exactly even now how advancement accelerates when ideological work becomes more effective, when the masses arrive at a better understanding of the party's policy and identify with it because it corresponds to people's basic interests."

We rightly note that many positive results have been achieved lately due to the activation of the ideological front. The quality and effectiveness of ideological influence have improved. But let us ask: Is this true of the ENTIRE system, of ALL its components?

Let us look, for example, at the quality of results and the level reached in party education. Are ALL the advantages and potentials of the current system of party education being utilized?

We believe that far greater attention must be paid to individual subdivisions and to their genuine links with practical life. Transition must also be made from solving global, general problems to those of specific nature. We must not indulge in "solving" problems that have already been resolved--or, to be more accurate, about which we are clear in principle--at the expense of real and frequently very burning problems. In other words, we must step from heights down to earth, improve the quality of ideo-educational work, and raise its impact on the convictions and deeds of individuals, We must examine to what degree individuals, that is, specific people, are capable of approaching the solution of problems in a dynamic way, in accordance with the requirements of present times. This means nothing else than that we must examine with the necessary headstart the extent of their ability to predict and "overtake" developments.

Or let us look at another important area of ideo-educational work--the professional and political training, education, and upbringing of young people at the institutions of higher learning. Virtually every deliberation of communists at CPSL members' meetings and conferences in the educational sector and at the institutions of higher learning in particular, has drawn attention to the formidable and LONG-LASTING disproportion between the students' educational level and the crystallization of their world outlook. Time and again we come across the discovery that young people are capable of acquiring a certain sum of knowledge, propositions, and tenets but are no longer capable of translating them into active viewpoints and standpoints and of applying them in dealing with everyday problems. They have not become the cornerstones of their conviction and an impetus and criterion for their conduct.

This is not a problem or deficiency that concerns the institutions of higher learning alone. The fact is, however, that this is where the entire process of shaping one's world outlook culminates. That is we must not endlessly merely note the existence of problems, but must SOLVE them radically and expeditiously.

Frequently, one can also hear an incorrect interpretation of the proposition that the shaping of socialist awareness and conviction is a long-term process. The fact that the result of ideo-educational work is not manifested immediately, overnight, that this work requires a maximum degree of patience, that it is arduous work, and so forth, cannot and must not serve as a justification for those who have for a long time been achieving in it no or only scant results.

In shaping socialist conviction, considerable untapped potentials also exist in mass-political work. We still forget the forcefulness and persuasiveness of direct, authentic and nonanonymous agitation.

We also cannot fail to notice the fact that some ranking employees who are party members seem to consider it almost their duty when charged with an economic function to de-politicize the manner of their thinking, acting, and doing things. It is as though they viewed ideology or politics as an obstacle to, rather than as one of the most important means and prerequisites for, the fulfillment of economic tasks. They leave ideological and ideo-educational work to "others" and lose touch with primary party organizations.

CSO: 2400/187

CPCZ LEADERS ATTEND REGIONAL PARTY CONFERENCES

LD151216 Prague Domestic Service in Czech and Slovak 0900 GMT 15 Feb 86

[Excerpts] Regional and city party conferences marking the beginning of the closing stage of preparation for the 17th CPCZ Congress began today in 10 regions of the CSSR and in Prague and Bratislava. Stansilav Benda reports on the conferences:

Taking part in this important political event in the life of the party and the whole of society are delegations of the CPCZ Central Committee. The delegation to the city conference in Prague is headed by Gustav Husak, general secretary of the party's Central Committee. Other members of the CPCZ Central Committee Presidium head the following delegations: Lubomir Strougal in the North Moravian region, Vasil Bilak in the West Slovak region, Peter Colotka in the East Slovak region, Karel Hoffmann in the West Bohemian region, Alois Indra in the East Bohemian region, Milos Jakes in the Central Bohemian region, Josef Kempny in the South Bohemian region, Josef Korcak in the South Moravian region, and Jozef Lenart in the Central Slovak region. Candidate members of the party's Central Committee Presidium head delegations as follows: Jan Fojtik in the North Bohemian region and Miloslav Hruskovic in Bratislava.

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CSO: 2400/187

INDRA MEETS WITH BRAZILIAN CONGRESSIONAL DELEGATION

LD172108 Prague Domestic Service in Czech and Slovak 1300 GMT 17 Feb 86

[Text] Alois Indra, chairman of the Federal Assembly, today received the delegation from the Brazilian Congress headed by Jose Fragelli, its president, which is in the CSSR on an official visit. He briefed the guests on the results achieved in building socialism in the CSSR over the past 40 years and about the development of work initiative before the coming 17th CPCZ Congress and the elections to the representative bodies. Afterward he explained the principal stands the CSSR takes in regard to some international political problems and stressed that our country strives to strengthen peace and to resolve all contentious issued by negotiations. He singled out the principled USSR peace policy and the importance of the comprehensive proposals submitted by Mikhail Gorbachev. Alois Indra described CSSR-Brazilian relations as traditionally constructive and friendly in which economic cooperation has always been predominant and which can be developed intensively further. At the close Alois Indra voiced the conviction that the delegation's visit to our country will contribute to further strengthening contacts between Brazil and the CSSR in all areas.

Dalibor Hanes, chairman of the Chamber of Nations, then explained to the Brazilian parliamentarians the status of the Federal Assembly and the future tasks facing it.

Jose Fragelli, president of the Brazilian Congress, then spoke about the situation in his country where a civilian government has taken power after a long time and about the preparations for elections to a new parliament. He said that Brazil, which now stands on the threshold of profound sociopolitical changes, works actively to strengthen peace, supports the right of nations to self-determination, and the principle of resolving all conflicts by negotiations. He voiced the conviction that there exist good prerequisites for further intensifying mutually beneficial cooperation between both countries, especially in the economic area. Such cooperation contributes to mutual understanding and to reinforcing trust.

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CSO: 2400/187

CHARTER 77 CALLS FOR CSSR-WEST PRISONER EXCHANGE

AU172047 Paris AFP in English 2042 GMT 18 Feb 86

[Text] Prague, 17 February (AFP)--Charter 77, Czechsolovakia's main dissident movement, has called on six Western governments to hand over convicted East Bloc spies in exchange for six detainees in Czechoslovakia, a communique issued here today said.

The communique was distributed by the Committee for the Defense of Persons Unjustly Persecuted (VONS), and said the proposal had been submitted to the Czechoslovak Government and ambassadors from France, West Germany, the Netherlands, Austria, Britain and the United States.

It was signed by Charter 77 spokesmen Anna Sabatova, Martin Palus, Jan Stern and Ladislav Lis, vice-president of the Paris-based International Federation for the Rights of Man.

The appeal followed last week's spy exchange between East and West, in which Jewish Soviet dissident Anatoliy Shcharanskiy and several convicted spies from both sides, including Czechoslovak Jaroslav Javorskiy, were freed.

Charter 77, a human rights group formed in 1977, said the exchange had given hope that "other Czecholsovak citizens, sentenced to long years in prison, could be freed."

It added that "the idea of such an exchange is all the more urgent because these people resolutely deny their guilt and there is nothing to indicate that they committed espionage."

Four of the six detainees were convicted of spying. VONS named them as Jiri Gans, 57, sentenced in 1977 to 15 years and said to be in a "very critical" state of health, Petr Hauptman, 40, sentenced to 10 years in 1984, Josef RoMer, 31, serving an 11 year term imposed in 1978, and Fratisek Veis, 54, a signatory of the Charter 77 manifesto, given 12 years in 1979.

Two dissidents named were Jiri Wold, 33, and Walter Kania, 46, both Charter 77 signatories, who still have 4 and 2 1/2 years of their sentence to serve respectively.

All six had asked to emigrate, VONS added.

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CSO: 2020/89

POLITICS CZECHOSLOVAKIA

EUROPEAN CULTURAL FORUM SUMMED UP

Prague RUDE PRAVO in Czech 4 Dec 85 p 5

[Article by Ilja Hulinsky, Ambassador and Permanent Deputy Representative of the Czechoslovak delegation to the Cultural Forum of the Helsinki Final Act's signatory countries in Budapest]

[Text] Following a decision by the Madrid Review Conference on European Security and Cooperation, a cultural forum of the Helsinki Final Act's signatory countries was held in Budapest between 15 October and 25 November 1985. The forum began its deliberations at a time of complicated international situation and of the final preparations for the summit meeting between the Soviet and American leaders. The West and especially the United States had tried very hard to inject East-West ideological problems into interstate relations. This was also reflected in the deliberations of the Cultural Forum whose mandate--namely, the discussion of the interrelated problems of creative work, dissemination and cooperation in various cultural fields--was closely linked to issues on which the member-countries of the Commission on European Security and Cooperation, belonging to different social systems, have different opinions of a basic ideological nature.

The final stage of the cultural forum was significantly influenced by the results of the Geneva meeting between Mikhail Gorbachev and Ronald Reagan strengthening the realism of most delegations participating in the forum and their efforts at having good will reflected there, too, paralleling the direction agreed upon in Geneva.

Most of the participating countries dispatched to Budapest large delegations made up of prominent personalities representing all cultural areas and whose problems were on the forum's agenda. But it was primarily the delegations of the socialist countries made up of the leading representatives of the artistic and cultural world who were known universally through their work. As a result of the high intellectual level of their speeches and their pragmatic and constructive approach, they achieved approval and recognition among their counterparts in all four working organs of the forum on issues of creative art, dramatic art, literature, and mutual cultural relations.

During the 6-week deliberations of the cultural forum, its participants could analyze the profile of European culture which reflects in its broad variety the life and fate of the contemporary world. The profile is not always upbeat or care-free but offers hope.

It was a lucky coincidence that the cultural forum concluded its deliberations immediately after the revival of the Soviet-American dialogue at the summit concerning the survival or annihilation of human civilization. Following the Geneva summit, the world has become a safer place. Mikhail Gorbachev's words at his press conference of 21 November 1985 were also addressed to the participants of the Cultural Forum. To a question of whether this is also the time to re-examine prejudices in mutual relations between countries with different social systems, Mr Gorbachev answered: "Don't blame political leaders for everything. We have agreed to expand cultural contacts. Thus, you should meet and negotiate among yourselves." It is necessary to follow up this advice in the spirit of Geneva, and the spirit of Geneva means learning to live together.

In the last few weeks, the participants in the cultural forum also witnessed periods which demonstrated how difficult is the road to understanding. The variety of views evidenced the differing socialist realities of the participating countries, their different ideological approaches being also evidenced in their cultural policies. The Czechoslovak delegation went to the deliberations at the cultural forum in full awareness of its responsibility regarding Czechoslovakia's pledges made in the Helsinki Final Act whereby its signatories expressed their readiness to convert detente into a continuous, vital, multifacted, and as far as its scope is concerned, universal process. This also corresponds to the historical traditions and the humanistic, peaceful, and progressive cultural role of contemporary Czechoslovakia. Such sense of responsibility obliged the Czechoslovak delegation, made up of the most prominent personalities in our cultural life, to consider constructively the mutually interlinked questions of creative work and the dissemination and exchange of cultural resources. As stated at the concluding meeting on the cultural forum, the Czechoslovak Socialist Republic, too, will continue to do everything to help the development of a peaceful European community of national cultures. This will be our contribution to a joint effort by the forces of realism to create on our continent a sophisticated and effective system of collective security and cooperation.

Collective security in Europe can be created by a system of agreements on interstate relations while observing all the principles of peaceful coexistence listed in the Helsinki Final Act. It covers cooperation in every sector of the Helsinki process but rejects mutual interference in domestic affairs.

The uniqueness of the Budapest Cultural Forum, often referred to in the speeches made there, does not lie in the fact, or only in the fact, that the forum was attented by prominent cultural personalities. International meetings have a great impact on world public opinion. Rather, the uniqueness of the Budapest Cultural Forum resided primarily in the fact that this meeting was to help revitalize efforts for the relaxation of tensions as a preliminary step away from a world saturated with weapons in the direction of a reliable system of agreements on international security. This was the first meeting of its kind in the history of Europe as far as the Forum's scope and content are concerned. One must recall that the governments of all the 35 signatory states of the Helsinki Final Act were represented by delegations consisting of people prominent in the cultural world.

Apart from the fact that because of the fault of several Western delegations no final document was approved, one can consider as a great achievement of the cultural forum that its participants, functioning in an atmosphere of intensive dialogue, were able to seek and identify issues of common interest which are important for the development of European culture and to propose, too, a series of very concrete and often new forms of improved cooperation in the cultural field among the countries involved in the Helsinki process.

The outcome of the cultural forum is therefore a plea addressed to the governments of the signatory countries of the Helsinki Final Act not to allow the dynamic goal to turn into a dead letter but contrariwise to revive the jointly discovered rhetoric through concrete deeds. The significance of the cultural forum has, however, one additional dimension which was obvious during all its deliberations: The awareness that the artists and cultural workers are also the bearers of historic responsibility for the fate of peace and progress, for preserving the cultural heritage of mankind. The real outcome of the cultural forum thus moves in the direction of a brighter future opened by the historic summit in Geneva.

In this sense the Budapest Forum will, in the last analysis, become one in a series of steps contributing to the fact that culture can enrich the life of each and every individual. Culture can, in its national diversity and despite ideological differences, become a force igniting the flame of understanding which will protect peace, progress, and improve mutual respect among nations.

Knowing that it was striving for a worthy cause, the Czechoslovak delegation as a group and each and every one of its members fulfilled with flying colors the tasks assigned to them when they arrived in Budapest and were among the most active and innovative participants.

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CSO: 2400/97

BRIEFS

CSSR-ALGERIAN COOPERATION TALKS--Prague, 14 February (CTK)--New forms of cooperation, especially in industry, will develop between Czechoslovakia and Algeria, the Czechoslovak-Algerian Committee for Economic and Scientific-Technological Cooperation agreed at its eighth session which ended here today. A protocol was signed by Czechoslovak Foreign Trade Minister Bohumil Urban and Algerian Minister of Heavy Industry Salim Saadi at the close of the session. The committee discussed extension of goods exchange. An emphasis was put on an increase in Czechoslovak exports, mainly in engineering, and commodities which can be imported for the Czechoslovak national economy were selected. The talks confirmed the possibilities of Czechoslovakia's participation in the construction of complete plants in Algeria, such as mills, a ceramic works, foundries and forges. Talks will also continue on other forms of Czechoslovakia's share in the process of industrialization in Algeria. The sphere of scientific-technological cooperation was highly praised. The present number of 380 Czechoslovak experts working in Algeria should further increase in the coming period. [Text] [Prague CTK in English 1641 GMT 14 Feb 86 LD] /12232

REGIONAL LEADERS RETAIN POSITIONS--Prague, 18 February (AFP)--The Czechoslovak Communist Party's regional conferences have ended with all top officials, most of them appointed after the "Prague spring" of 1968, still in place. The conferences were held as curtain raisers to the 17th Party Congress, due to open here 24 March, and indicated that the existing party leaders would remain firmly in command. However, there could be changes among lower level officials, who have been the object of an intense campaign calling for the "normalization" of communists. Several have been expelled from the party for fraud in recent months, the most prominent being Frantisek Neuhauser, director of the uranium mines in central Bohemia, and his assistant Frantisek Riger, who built second homes at the mine's expense. [Text] [Paris AFP in English 1009 GMT 18 Feb 86 AU] /12232

FERFECKY'S FUNERAL--The funeral took place today in the great hall of the Strasnice Crematorium in Prague of Hero of Socialist Labor Otakar Ferfecky, the federal government's commissioner for the construction of the Prague Metro, bearer of the Order of Victorious February, and the Order of Labor. Present at the funeral ceremony, together with the deceased's family, were Ludomir Strougal, the federal premier, and Josef Korcak, Czech prime minister, members of the Presidium of the CPCZ Central Committee; and other representatives of our political, economic and public life. Zdenek Smely, first deputy chairman of the Czech Research and Development and Investment Planning Commission, in a speech, paid tribute to the lifelong work of Otakar Ferfecky, who devoted all his work and organizational talents to our people and our socialist society. He stressed that his name will forever remain linked with important socialist construction projects as the Prague Metro, the renovation of the National Theater, and important industrial enterprises, hospitals, and many other others. [Text] [Prague Domestic Service in Czech and Slovak 1400 GMT 7 Feb 86 LD] /12232

CSO: 2400/187

CC INTERVENES IN IDEOLOGICAL CONTROVERSY OVER SCHOOL TEXT

Background of Controversy

Budapest UJ TUKOR in Hungarian 17 Nov 85 pp 18-19

[Article by Erno Balogh: "The Lessons of a Debate"; last paragraph is UJ TUKOR comment]

[Text] In recent months there has been a very lively debate, occasionally even heated and acrimonious, over the publication this year of the second volume of the history of literature textbook for fourth-year gimnazium students. The volume is intended as an introduction to the more important trends in the post-1945 Hungarian and foreign literature, to the biographies of the poets and writers, and to the outstanding works that have been written in recent decades and hold promise of lasting value. To indicate that some types of problems which have flared up now are not of recent origin, the widening controversy touched also on the earlier volumes in the new series of textbooks which, according to the critical comments, likewise require revision. The debate was conducted mostly in the columns of UJ TUKOR. A comprehensive critical review of the debate appeared in the June issue of KRITIKA. And some of the contributors to the nearly six-month-long exchange of views (beginning with Istvan Kiraly) in MAGYAR IFJUSAG, on the present contradictions and problems of teaching literature, also joined in the debate, although only indirectly. A roundtable that appeared in the No 7, 1985 issue of PARTELET ("What Does Art Policy Support?") referred emphatically to the textbook's shortcomings.

It should be noted, and not merely as a matter of curiosity, that LUDAS MATYI also responded to the debate in its own way: its humorous cartoon "commentary" attests to the fact that the topic soon outgrew the confines of cultural life --and within it, of education as the profession most directly involved--and attracted wide general attention. And justifiably so, because no responsible thinking person can remain indifferent to what perspective an official textbook reflects, to what scale of values it sets, and to what influence--by no means negligible--it exerts on the students' behavior, world outlook and tastes.

The critiques appearing in the press have raised professional questions in a narrower sense, and questions of ideology and educational policy as well. The nature of these problems, and the self-understood public interest in this sphere of education and training, necessitated the earliest possible clarification of the problems, and the formulation of the tasks stemming from them.

Therefore the Educational Policy Working Group attached to the MSZMP Central Committee sponsored a conference to which it invited--in addition to those of its members who are interested in the topic, or are most likely to encounter it in their own professions--the following: the textbook's author, several of the publisher's readers, the contributors to the debate in the press, and the head of every state institution concerned. Because the debate had extended in part also to some of the earlier volumes, several of their authors were present as well. The conference's primary objective was to provide assistance for the textbooks' suitable, professionaly and ideologically authoritative, revision, and thereby to contribute toward the solution of the present problems in conjunction with literature instruction in secondary schools. As one of the essential conditions for the elimination of the substantive problems that have arisen, another objective of the conference--specifically in the interest of the mentioned primary objective's more effective realization--was to reach a possible and necessary consensus on the principles of educational policy regarding several of the more significant questions.

In the following I will attempt to briefly highlight some of the debate's more general lessons, which will not be without interest even to the wider party membership. To avoid any misunderstandings, I wish to point out in advance that what follows is neither an abstract of the minutes of the meeting that recorded the lengthy exchange of views at the all-day conference, nor some "official" party standpoint. And under no circumstances does it claim for itself the right to have the last say. This writing cannot undertake at all to present the entire range of arguments and ideas that were advanced, and of the questions decided or left open in the debate. Within the contributions to the debate, it wishes to call attention primarily to those elements which--in my opinion--could serve as the basis for realistic further progress and are most likely to contribute toward formulating a policy platform that is indispensable to joint action. In addition to providing information and presenting the points of view that are more general (and in part may therefore offer lessons for other areas as well), then, this endeavor is the other, more specific, objective of this writing.

It was strongly emphasized in the debate that literature textbooks must perform several functions. They must contain, for example, the theoretical knowledge essential to an understanding of literature; present the biographies of significant authors; introduce the literary works of lasting value; help to develop the habit of reading and love for the arts in general; participate in moral and aesthetic training, in improving the perception of reality and self-comprehension, etc. In addition, literature textbooks must be in harmony with the principles of our social system, its scale of values, and its comprehensive public objectives. Moreover, they must present our ideals convincingly, with effective arguments. The characterization of literary works and trends must be based on the Marxist world outlook, and on the set of aesthetic values derived from it. This criterion--in the case of textbooks written for use in public education, and prepared, approved and published by state institutions--is hardly debatable. Of course, Marxist scientists and experts also differ in their views on a good many questions, and therefore it is not always easy to determine which of the views is the authentic one. But if we look at the fate of these textbooks, this much is certain: When the differences of opinion are as wide as they sometimes have been in the course of this debate, the exchanges of views that clarify the differences (and involve hard work, of course) should not have been spared. If we consider the consequences, a shortage of time is not an acceptable excuse worthy of consideration.

A further basic requirement is that the various areas of educational policy unconditionally be synchronized on essential issues, if the Ministry of Culture and Education wants to be consistent and retain its credibility. Specifically, a textbook's views regarding aesthetic value on the one hand, and art policy's subsidization strategy, which is implemented in different ways through a variety of means, and its set of principles on the other hand, must not differ from each other, and especially must not be in conflict. If the difference between them becomes significant, sooner or later it will be the source of serious disturbances. Or to be even more specific: if realism as a modern and comprehensively defined scientific category of aesthetics and philosophy unalterably retains its eminent and authoritative position in art policy's evaluation mechanism and theoretical underpinnings, then we can hardly regard as acceptable a textbook which for the most part recognizes this concept's meaning only in the sense in which it is used in the history of style (and is applicable therefore mainly to 19th century literature), or which conveys--through its negative declarations--only the one-time, conservative, meaning of realism. If educational policy is urging the liveliest possible integration and ever-wider dissemination of Gyorgy Lukacs's monumental lifework and outstanding intellectual legacy (as this is evident, among other things, also from the Educational Policy Working Group's document entitled "Guidelines for the Centennial of Gyorgy Lukacs's Birth"), then we can hardly regard as acceptable that part of the literature textbook which feels compelled to single out from the wide-ranging writings of one of the greatest philosophers of the 20th century primarily the theory of realism which he developed in the 1930's, and which was subsequently modified to a significant extent. As the standpoint of the aforementioned working group points out with due emphasis, Gyorgy Lukacs "has described and explored, with lasting and now once again timely validity, many of the essential features of the philosophical trends of the 19th and 20th centuries, of modern irrationalism: the obscurantism, the unhistorical creation of myths, the religious atheism, the indirect apologetics, the willy-nilly confirmation of despondency and hopelessness, the life philosophy of despair." The bias of the fourth-year gimnazium students' literature textbook--evident in that it ignores the importance of Lukacs's lifework in philosophy and aesthetics, but simultaneously revalues upward and accepts for the most part without criticism the existentialist philosophies of the 20th century, and Heidegger's work in particular--can be reconciled neither with the spirit of the aforementioned standpoint, nor with the principles and aspirations of educational policy. Of course, the statements contained in any party document must not be regarded rigidly as dogma, and one may also challenge them. However, textbooks are not the proper forum for a possible retrial. But let us take the question of bias one step further: It has been for some time the established policy of the Ministry of Culture and Education to support the assertion of a variety of values. As evident from the proportions of allotted space and content, however, the second volume of the literature textbook for fourth-year gimnazium students partially circumvents this practice, by giving preference mostly to a single (the bourgeois humanistic) trend in the Hungarian and foreign literature.

There is considerable emphasis in the textbook on the various crisis phenomena in today's world, on the examples of the threats to human existence, of the defenselessness of nature and society, and the possible scenarios of tragedy. Obviously, the dominance of a perspective attempting to interpret literature's processes in the spirit of an absence of conflicts, of one-sided and naive optimism, could also cause serious harm and produce an effect contrary to our objectives. Therefore the fact in itself is not objectionable, but indeed natural, that the truly serious problems of today, the disturbing alternatives, and the inevitable tragic turns in man's life are reflected also in the textbook, and thus it does not create illusions and foster unrealizable hopes. The communist movement, too, knows from bitter experience that attempts to conceal or ideologically embellish the truth, to present aspirations as actual facts, will always rebound many times over: they lead to discord, produce disenchantment, and might spread nihilism. But the presentation of the forces countering the threat to mankind, the worthy analysis of their representatives in the leftist, socialist literature, and the drawing of outlook-shaping and behavior-forming consequences from them are conspicuously absent from the textbook. In its overall impact, therefore, the volume might produce a disarming and paralyzing sense of hopelessness and inevitability, as a miscalculation of a conceptual nature. Whereas a literature textbook--remaining completely in harmony with the peculiarities and internal laws of its subject--ought to be both morally and emotionally able to present the existing humane prospects, respectively to argue in favor of their active acceptance. This appealing and meaningful opportunity must not be lost; without its realization, the textbook could not possibly fulfill its intended purpose.

Several contributors to the debate have raised the question as to whether it is possible, or at all expedient, to present in traditional textbook form--with its typical organization, selection of material, stricter evaluation obligations, etc.--the literature of today in its constantly changing trends, and the creative careers not yet over and therefore necessarily liable to change. For here the danger of haphazardness, disproportions, and subjective preferences is objectively much greater; because the historical perspective is lacking that excludes practically from the outset the possibility of grave errors in the case of earlier periods. Today nobody would seriously question that Shakespeare, for example, is a figure of decisive importance in the literature of his period and in the entire world literature since then. But assessment of some of the authors of our time is necessarily frought with uncertainty; the critics are more divided in their views; and also the risk of yielding to the temptations of fashionable trends is greater. Therefore some of the contributors to the debate supported the standpoint, and not unfoundedly also in my opinion, that a textbook in the conventional sense is unnecessary to teach contemporary literature. Instead, a volume of selections ought to be compiled that contains the texts of (or excerpts from) works which professional public opinion, Marxist literary criticism, has judged as significant; together with the authors' more important biographic data and the most essential factual information.

The important topics on which views were exchanged included the range of questions concerning the relationship today between traditions and modernness, and the substantive determinacy of this relationship. The view was expressed that Hungarian literature has undergone radical changes in recent years, and that

--due to the transformation of the scale of values--the artistic endeavors which are more receptive to social problems, and which regard creative work as service to the people and the nation, a commitment to public affairs, have actually become outdated. I personally support the opposite view, the one which holds that, in spite of the undeniable changes, this trend of our literature with its outstanding traditions is not anachronistic even today; that it is still producing works of significant value which are best-sellers or box-office successes; and that its continuity will not cease even in the future, because several gifted representatives of the younger generation are joining this trend. Consequently, I too believe that the role the textbook assigns to this extremely typical branch of our literature is smaller than what it merits. Because, in comparison with the literatures of other nations, this branch of our literature provides its phylogenetic specialty, its characteristic plus and special appeal.

When listing the functions that a textbook must perform, I have already referred to the requirement of helping to develop the love of books and the habit of reading, and of contributing thereby to the all-round development of the individual. But this function ought to be stressed also separately. Because I am convinced that this educational role and vocation should have received greater emphasis in the volumes in question. As emphatically expressed in the debate, this educational role assumes special significance today when the social prestige of literature, of the arts and of the humanities in general, is declining, contrary to our intentions and in spite of our efforts; when there are so few truly regular readers; and when there is growing interest in light reading, including pulp of low quality. Textbooks must help to effectively assert this educational role by every means: through their tone, selection criteria, analyses, and thesaurus of concepts. This is our most fundamental common interest and the responsibility of every one of us, independently of the debate. For it is indisputable that the arts, including literature with its greatest traditions in our country, play a unique role in the realization of our social objectives, and in making our lives more humane and meaningful, as this has been pointed out in an entire series of documents on educational policy.

In the final outcome, every participant in the debate covering numerous fundamental questions of our educational policy agreed that the textbooks for fourth-year gimnazium students require substantive revisions, and there were actual differences of opinion among them primarily on the extent of the necessary revisions and the proportions of the shortcomings. None of the conferees questioned the fact that the volumes, in comparison with the previous textbooks, have indisputable merits and are serious intellectual efforts of high quality within their own field. Several speakers pointed out that the textbooks are attempting to cling to aesthetical values more consistently than the previous textbooks did. And the disproportions, the problems of approach, the one-sided applications of the principle of quality are by no means shortcomings for which solely the author can and should be blamed.

However, there can likewise be no doubt that an entire chain of mistakes, omissions and superficialities led to where the teaching of literature found itself in a difficult situation, and it finally became necessary to hold such a debate about a published textbook in actual use, which unavoidably offended also various personal sensibilities. Had every one of the institutions concerned exercised the degree of circumspection required--and on the basis of the early indications, their circumspection should have been commensurately greater--we could have avoided much inconvenience and many conflicts.

This is one of the most important lessons to be drawn from the debate. Yet another lesson is that the debate has demonstrated that we do have the intellectual potential with whose help we are able to present our reality, our contemporary literature, accurately and in the Marxist manner. In future we must rely on these forces more effectively and in a better coordinated manner. Because that way we will be able uphold our ideals more convincingly, in a better substantiated and more nuanced manner, also in the exceptionally important area of educating our youth.

We have reprinted the above article from the November issue of PARTELET. Not to rekindle the debate, of course. To the contrary. Our purpose is to inform our readers, who have been able to follow--over a period of more than 2.5 months this summer--our articles on literature textbooks for gimanazium students, that the meaningful revision of the textbooks has begun. Editors.

Abstract of Balogh Article

Budapest NEPSZABADSAG in Hungarian 25 Nov 85 p 7

[Abstract, in the "Perusal" rubric, of article by Erno Balogh: "The Lessons of a Debate"]

[Text] Published this year, the second volume of the literature textbook for fourth-year gimnazium students--it covers the post-1945 Hungarian and foreign literature--rekindled the debate on literature textbooks that has been going on for several years. The articles contributing to the debate, published in various newspapers and journals, have raised a series of professional and ideological questions. To help clarify the problems and outline the tasks, the Educational Policy Working Group attached to the MSZMP Central Committee held a conference to which every person and institution concerned had been invited, in addition to the working group's members. The objective of the conference was to provide assistance for the suitable, professional and ideological revision of textbooks.

The author of the article reporting on this conference points out that the many diverse functions of literature textbooks must be in harmony with the ideals of our social system. The assessment of authors, their works and literary trends must be based on the Marxist world outlook and performed with the help of Marxist aesthetics. "This criterion--in the case of textbooks written for use in public education, and prepared, approved and published by state institutions--is hardly debatable." Naturally, the standpoints of Marxist experts are not unanimous on every question. But when the differences of opinion are as wide as in this case, it would have been not only more fortunate but also more responsible to clarify the problems before the textbook's publication. Only in this way could we have avoided a conflict between the textbook's views regarding aesthetic values on the one hand, and education policy's set of principles on the other. A cultural policy which assigns an eminent role to realism as a modern and comprehensively defined scientific category of aesthetics and philosophy is hardly able to accept a textbook that recognizes, almost ostentatiously, only the 19th-century, conservative, history-of-style meaning of realism. And it is likewise not entirely compatible with the principles of our cultural policy that the textbook ignores, among others, Gyorgy Lukacs's very important and influential writings concentrating on developing the theory of realism and on opposing irrationalism, but revalues upward the bourgeois philosophies of the 20th century, and Heidegger's work in particular. The textbook's antidogmatism, instead of its attempt to present the diversity of aesthetic values, does not particularly help the realization of our cultural policy objectives, either.

In itself the fact that the textbook places great emphasis on today's crisis phenomena, worries, problems, and possible scenarios of tragedy is not objectionable. What the textbook's critics are demanding of it is not naive optimism, but the proportional presentation of the forces countering the threat to mankind. Actually it is also a literature textbook's pedagogical duty to present the existing humane prospects, in contrast with the hopelessness. But the question arises as to whether it is at all expedient to present contemporary literature in traditional textbook form, because the possibility of subjective bias and the danger of disproportions in the assessment of contemporary literature are much greater to begin with. In the opinion of some of the contributors to the debate, ". . . a textbook in the conventional sense is unnecessary to teach contemporary literature. Instead, a volume of selections ought to be compiled that contains the texts of (or excerpts from) works professional public opinion, Marxist literary criticism, has judged to be significant; together with the authors' more important biographic data and the most essential factual information."

The author of the article establishes that the debate covered many fundamental questions of our educational policy. The conferees agreed that the literature textbooks require revisions. There were actual differences of opinion among them only on the extent of the necessary revisions and the proportions of the shortcomings. Nobody at the conference doubted that these textbooks are better than the ones they have replaced. And it is likewise certain that the mentioned disproportions and problems of approach are not solely the author's fault. ". . .an entire chain of mistakes, omissions and superficialities led to where the teaching of literature found itself in a difficult situation, and it finally became necessary to hold such a debate about a published textbook in actual use, which unavoidably offended also various personal sensibilities. Had every one of the institutions concerned exercised the degree of circumspection required--and on the basis of the early indications, their circumspection should have been commensurately greater--we could have avoided much inconvenience and many conflicts." (From PARTELET, November 1985)

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CSO: 2500/151

POLISH OFFICIAL ON COMBATING ALCOHOLISM

PM121131 Gdansk DZIENNIK BALTYCKI in Polish 7 Jan 86 p 3

/Interview with Jozef Bury, vice minister of labor, wages, and social affairs, presidium member in the Commission for Countering Alcoholism, by KAR correspondent Irena Scholl; date and place not given; passages in slantlines published in boldface/

/Text/ Scholl: An investigation conducted by the Supreme Chamber of Control, the Ministry of Labor, Wages, and Social Affairs, as well as employment departments of voivodship offices and Citizen's Militia shows that the act on temperance education and prevention of alcoholism is not being observed. The most alarming thing is that, instead of dying out, the custom of drinking in the workplace is becoming entrenched.

Bury: True. The number of employees who attempt to enter their workplaces while under the influence of alcohol is by no means declining. Attempts to bring alochol to work are made with increasing regularity and, unfortunately, they are often successful. People drink in changing rooms and in storerooms. Whereas during the first half of 1983 more than 9,000 people were caught at those practices, in the first quarter of 1985 there were already 14,000 known cases. The number of persons guilty of disturbing the peace in workplaces has more than doubled....

Scholl: What causes this?

Bury: Experts point to six main causes here. /Tradition/--No occasion of any consequence, no social or family gathering, no reunion or other celebration among colleagues can take place without drinking alcohol. /Frustration/--caused by chronically poor living conditions, lack of prospects for quick stabilization, such as being able to get a home of one's own, buy a car, take an attractive vacation abroad, and so on. /Stress/--brought about by disturbances affecting regular pace of production, work stoppages, shortage of materials, lack of tools in good working order, and insufficient motivation for improving productivity. /Family problems/ caused by a variety of reasons, feelings of loneliness and social alienation. /Disintegration of social life/, because there is no time for it, because housing conditions and market supply are inadequate, and because going out is very expensive. What we have left is a poor substitute: secret drinking with colleagues in some hidden corner of the workplace, "chasing" the alcohol with a coffee, gherkin, or a mouthful of black pudding. Finally, there is the /availability/ of alcohol in contrast to the shortage of other goods that might otherwise effectively compete with it.

Scholl: What is the greatest obstacle to removing alcohol from the life of the workplace?

Bury: Poor sense of work discipline. Other symptoms of this are high absenteeism, poor work organization, little appreciation of the value of work, and, consequently, low output quality. Obviously, these ills do not affect all our enterprises and all our workforce, but they still leave a deep imprint on our life.

Scholl: Who has enough decisive influence to change this state of affairs?

Bury: Everybody. Enterprise managers, sociopolitical organizations, and the trade unions--which have not, as yet, declared any resolute struggle against alcoholism in the workplace. And we cannot eliminate this phenomenon without first increasing people's awareness, without raising our workforce's standards regarding each individual's attitude toward the work ethic and discipline.

Scholl: How can we fight it more effective? Let us begin with the practice of bringing vodka to the workplace. Are the existing methods of stopping this really effective?

Bury: We could apply other, more effective methods, such as those used at football grounds. Each bottle seized by security men at the workplace should be immediately poured down the drain, not kept in safe custody to be returned to the owner as he leaves the premises after work. Each employee caught attempting to smuggle a number of bottles of alcohol onto the premises should be handed over to the Citizens Militia, because experience has shown that such offenders usually have...dozens more bottles stashed away at home. They are simply speculators.

Scholl: And what should enterprise managers do?

Bury: First of all they should introduce a rigorous system of monitoring the observance of the sobriety-in-the-workplace rule. They should set up procedures for recording all instances which this rule is violated. They should also set up an extensive program of information and education, for the present practice is usually limited to the mere formality of instructing new employees that they are under an obligation to remain sober on workplace premises. The guidelines issued by our ministry also mention the legal measures, penalties, and other sanctions that should be applied against all those who break the stay-sober rule.

Scholl: You spoke of a system of monitoring the observance of this rule. Would it be an exclusively administrative system?

Bury: Thirty-seven percent of enterprises included in our survey have public monitoring cells working side by side with administrative controlling bodies, and made up of representatives of the trade unions, party and youth organizations, the Polish Red Cross, the Volunteer Reserve of Citizens Militia, and other bodies. The involvement of the "public element" ought to be much greater, since any pressure or sign of condemnation from one's colleagues is far more effective than administrative measures.

Scholl: What about the influence of the industrial health service?

Bury: According to our information, only 78 percent of industrial health service centers cooperate with enterprise managers im promoting health education among employees and include instruction about the awesome consequences of alcohol abuse in their educational programs. The rest of them do not tackle this issue at all, nor do they declare any intention of doing so. In any case, even the so-called "active" industrial health centers do not go beyond...displaying antialcohol posters. Talks, lectures, and programs broadcast on enterprise inhouse radio systems are very rare, as are individual face-to-face talks.

Scholl: Which professional groups and milieus are particularly vulnerable to "drunken mores"?

Bury: All those which suffer from the manpower shortage. They often recruit people who have been dismissed from other places on disciplinary grounds, chronically work-shy individuals, or persons discharged from penal institutions. Many of these continue to drink and are soon dismissed again on disciplinary grounds, whereupon the enterprise--which is often a municipal works or a construction firm--will shortly seek to replace them by others, who frequently have the same sort of background. Other enterprises likely to be affected are as a rule those where people sit about with arms folded waiting for something to do and "whiling the time away," that is, drinking.

Alcoholism is boosted by doing "field work" away from one's workplace, where constant supervision is not feasible, and control difficult.

Scholl: And, of course, by undue leniency on the part of management.

Bury: Quite. Materials collected by the Supreme Chamber of Control indicate, for example, that the management of the Stilon Manmade Fiber Plant in Gorzow failed to apply administrative sanctions against 16 employees who had violated the sobriety-in-the-workplace rule. There was a similar case at the Mostostal Steel Structures Manufacturing Plant in Radomsko. Also in Radomsko, at the Komuna Paryska Industrial Plant 20 employees, including 4 on the enterprise security staff, were not disciplined for breaking that rule. Moreover, two of the offenders were not only not penalized for being drunk, but were subsequently twice promoted from their previous grades. Investigation carried out at the Hutman Nonferrous Metals Foundary and Manufacturing Plant in Wroclaw and the Sacz Ore Processing Plant revealed that employees who had been disciplined for drinking alcohol at work were nevertheless given monetary awards and increased pay bonuses.

Scholl: Are parent agencies not too lenient themselves twoard those lenient managers? Have you ever heard of a manager who was publicly fired because he was excessively lenient?

Bury: I must admit I have not. But the premier in the past has recalled voivodas from their posts. I believe that the amended labor code should include a provision that would require managers to summarily dismiss employees for drunkenness at work. And every parent agency should have the following condition added to the principles of its bonus-awarding policy: A manager will be entitled to a bonus only if he has been successful in discouraging the practice of drinking at work in his enterprise. Let us not add a fourth "S"--that of self-will--to the three "S" principle of the reform /self-reliance, self-management, self-financing/. Especially when it might lead to an aggravation of our social ills--ills that are becoming a plague.

Scholl: Thank you for the interview.

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GOVERNMENT PRESIDIUM ON YOUTH, LAND, GOODS

AU262026 Warsaw TRYBUNA LUDU in Polish 21 Jan 86 p 2

/Excerpts/ PAP--At its 20 January session the Government Presidium studied a report for on the implementation to date of the 1982 government program for improving the conditions for young people's lives and careers. Chairmen of the socialist youth unions such as the SZMP, the ZMW, the ZHP /The Polish Scout Union/, and the SZP /the Polish Student Union/ were present.

The government youth program contains almost 200 tasks for various government offices, state institutions, and organizations. During the first stage of this program's implementation many ad hoc tasks were accomplished in order to counter negative phenomena as they were produced by the socioeconomic crisis. The youth program also contains long-term tasks up to 1990. These programmatic and institutional tasks will create legal and organizational mechanisms to promote the development of young people and to ensure their participation in solving our country's important problems.

The session agreed that the main lines of the youth program are still valid, but that sociopolitical and economic conditions have greatly changed since 1982. That is why the presidium recommended that the program be modified and that the socioeconomic development in 1986-90 should be taken into consideration. The minister for youth affairs was instructed to draw up a report on the conditions for young people's lives and careers.

The Government Presidium studied the implementation of the land reclamation program and the tasks for 1986-90.

Despite considerable progress in organizational, legal, and economic undertakings, the land reclamation operations planned for 400,000 hectares of farmlands in 1983-85 have not been fully accomplished. The regulation of rivers and the construction of antiflood embankments are some of the urgent tasks. The reclamation of 700,000 hectares of farmlands in 1986-90 will require guaranteed investment funds and better equipment for land reclamation enterprises.

The Government Presidium evaluated the flow of goods to the markets in December 1985 and this month. In line with the plan, the per capita flow of foodstuffs last December was higher than in December 1984. The flow of foodstuffs and industrial goods in the last quarter of 1985 markedly increased.

This month the flow of foodstuffs will have increased in comparison with January 1985. There will be more meat, butter, margarine, and pork fats. The flow of dairy and cereal products continues to meet needs.

The flow of industrial goods was not flawless and showed greater ups and downs, despite the correct implementation of the market supplies stipulated by the 1985 annual plan. There were shortages of building materials and difficulties were encountered in supplying coal users, especially rural users, although decisions were made to increase the supply of coal, particularly coal in large lumps.

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POLITICS POLAND

AIR FORCE CAMPAIGN FOR 10TH PARTY CONGRESS

AU241424 Warsaw ZOLNIERZ WOLNOSCI in Polish 21 Jan 86 pp 1, 6

/Report signed "(WIER.)": "Before the 10th PZPR Congress--Initiatives For Progress"/

/Excerpts/ Preparations for the campaign preceding the 10th Party Congress are taking place in the air force as well as in other armed services and military districts.

The attention of all party cells and organizations in the air force continues to be focused on training the aktivs who will accomplish the main tasks in the first and second stages of the campaign.

The Poznan plenary session of the PZPR Committee in the air force was a new important phase in precongress preparations. The session, which was attended by members of the air force party control commission, discussed the ideopolitical and organizational aspects of the precongress campaign and the tasks for party cells and organizations on the basis of the 23d Central Committee plenum.

The participants in the discussion stressed that winning an increasingly more universal and more specific public support for the PZPR is a general party task and aspiration and that one welcome result of this should be the development of party ranks.

Discussing other questions stemming from the precongress campaign, the participants in the discussion stressed the great importance of individual talk in all primary party organizations to help to crucially enrich the all-party and nationwide discussions, which constitute a great ideological training that adds to the knowledge of the goals and principles of our system and the 10th congres theses. These meetings will choose delegates to higher party conferences through the air force precongress conference.

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MESSNER AT ACADEMY PARTY MEETING

AU271331 Warsaw ZOLNIERZ WOLNOSCI in Polish 23 Jan 86 pp 1, 2

/Text/ PAP--The PZPR Committee of the Katowice Economic Academy inaugurated the 10th Party Congress campaign at its 22 January open meeting devoted to the determining factors of the country's socioeconomic development. The committee numbers 189 party members and candidates.

The academy's scientific workers who are party members are active in the advisory bodies of the voivodship party and administrative organizations. The meeting was attended by about 400 scientific workers, academic instructors, and students as well as by Premier Zbigniew Messner, who is a member of the academy's party organization.

Discussing the main determining factors of the country's socioeconomic development in 1986-90, Z. Messner stressed that the government's plan for these years will be discussed during the precongress campaign.

The 10th Party Congress, which is the supreme forum of the party, will adopt the draft plan and will submit it to the Sejm. Z. Messner discussed the state of our economy and said that, compared with its condition in January 1982, it is good.

For the past 40 years, he continued, Poland has always been open to other countries and our people have been able to compare the living standards in them.

People always find it easier to note the positive aspects of other countries' conditions, ignoring their negative aspects, and that is why people generally think that others have it better and that is why their aspirations outstrip the potential to fulfill them under conditions of crisis and restrictions.

Z. Messner included our debts and the psychology and awareness of our people among the basic determining factors in our development. The authorities must fully realize these and other barriers before they can launch the activities aimed at overcoming and reducing the results of these barriers and before they can optimally devise tasks for the coming 5-year period.

Z. Messner also answered questions from the floor and explained various issues such as wage policy, systems of incentives, and efforts to reduce the material intensiveness of our economy. The meeting stressed the need for efforts to more accurately accumulate and use the people's energy and creative talents with a view to implementing the main economic goals.

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VOIVODSHIP LAW AND ORDER PLENUM; BARYLA SPEAKS

AU311512 Warsaw TRYBUNA LUDU in Polish 29 Jan 86 p 2

/Text/ PAP--Key questions connected with strengthening observance of the law and socialist ethics were the subject of a voivodship PZPR committee plenum held in Chelm on 28 January. The meeting was attended by Jozef Baryla, PZPR Central Committee secretary.

Manifestations of social pathology, and other negative phenomena as well as ways of combatting them were discussed during the meeting. Much attention was devoted to the need to focus social activity on strengthening the ethical well-being of society. It was stressed that certain negative ethical phenomena call for the application of decisive countermeasures. Incorrect actions with respect to work and interpersonal relations were highlighted. A lack of respect for older people, unkindness toward others, and low standards in manners and hygiene were mentioned.

The causes of social pathology were pointed out at the plenum. It was established that the influence exercised on production discipline had been insufficient. A rift between laws and labor responsibilities had emerged as a result--wages are rising more quickly than output, there is often a lack of respect vis-a-vis work. The number of unworked hours is too high, as is the number of cases of false claims for social benefits. The continuing danger posed by crimes in which alcohol abuse is an underlying factor was discussed at the plenum alongside economic crimes; a lack of respect for social property; and offenses committed in the conduct of administrative work. Frequent instances of idleness, cliquishness, arrogance, reaping benefits at the expense of other are phenomena that undermine social justice and must be condemned and eliminated in a consistent fashion.

J. Baryla said, inter alia, that it was the job of the party to initiate and coordinate the struggle for society's moral wellbeing and to strengthen socialist ethics. This means countering all that harms society, hurts it, and is damaging to the common good at all times. There is strong public justification for making action in this area a priority, as evidenced by many of the views expressed during the campaign which preceded the Sejm elections. The interests of the party and the state are fully in accord with public expectations in this area. Law observance, stressed J. Baryla, is more than good laws, it is also a social reality created by the actions of actual people, it is the observance of regulations by all citizens, as well by offices and institutions.

The plenum passed a resolution defining tasks for the voivodship party organization in the field which had been the subject of the discussion.

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ARMY CONFERENCE EXAMINES POLITICAL INSTRUCTION

AU031335 Warsaw ZOLNIERZ WOLNOSCI in Polish 30 Jan 86 pp 1, 5

/"Own correspondent" report on regional armed forces' conference held at the 1st Praga Mechanized Regiment on 29 January/

/Excerpt/ A regional conference of organizers and heads of political instruction groups devoted to finding improved and more uptodate ways of conducting ideological and political education in soldiers' collectives was held at the headquarters of the 1st Praga Mechanized Regiment on 29 January. The conference was attended by Division General Tadeusz Szacilo, chief of the main Political Administration of the Polish Armed Forces. Taking party in the conference were officers representing units of the Warsaw Military District, the air force, and the National Air Defense Forces. The conference was chaired by General of Brigades Leslaw Wojtasik, deputy chief of the Main Political Administration of the Polish Armed Forces and chief of the Propaganda and Agitation Department.

The meeting provided an opportunity for those directly involved in conducting political instruction programs at the unit and subunit levels to exchange experiences of the methods currently employed in this area of army education. It also provided an opportunity to voice views on problems currently encountered in instilling in soldiers a socialist awareness. The meeting also afforded an opportunity to work out short-term and long-term activiites in this field.

Introducing the discussion, the chief of the Main Political Administration Propaganda and Agitation Department noted the special and important place occupied by political instruction--which harmoniously unites Marxist-Leninist theory with practice deriving from the current sociopolitical situation in the country--in efforts to continually improve the combat readiness of our armed forces.

Life in the army and the nature of instruction in everyday practice have clearly shown that the execution of ideological and political tasks in units of the Polish Army has been conducted well and consistently. The execution of these tasks has produced undeniable results in the form of a systematic increase in soldiers' political awareness and in their active involvement in discharing their military and civic responsibilities.

However, organizers and heads of political instruction groups in individual military communities also realize that it is not enough to keep on using the same methods of operation in an area of such importance for the socialist education of the younger generation. Life continues to make it imperative to search for continually better ways of conducting ideological work; to eliminate flaws and shortcomings; and to update instruction methods.

Precisely these realities gave the discussion an imaginative and constructive character. It is obvious that in our difficult economic situation it is impossible to close all the gaps that exist. Economic solutions must, therefore, be sought but these solutions should not entail abandoning modern methods and modern technology.

While welcoming the intdouction of new teaching aids, certain speakers, among them Maj Tadeusz Jarosz and Capt Jerzy Pytasz, noted that even the most uptodate technology is no substitute for people in the area of ideological training, people who are committed, well trained, and who identify themselves with the views which they express. They suggested, therefore, that heads of instruction groups continue to be assisted. Most heads of these groups are young cadres who are eager to work but in need of assistance and goodwill. Training programs that are well prepared and carried out well, courses in instruction and the methodology of teaching, enhanced by the inclusion of practical demonstrations and corrections to the program, should definitely make matters significantly better.

Capts Kazimierz Seliga, Stanislaw Furman, and Jacek Juszczuk raised a particularly pertinent issue in the view of those attending the meeting. They draw attention to the low level of participation, at least during the first stages of instruction programs, on the part of those attending classes. The basic cause of this is the great range of backgrounds from which participants come. To influence their awareness effectively one must get to know them, their interests, and their level of knowledge. It is the responsibility of the head of the political instruction group to do so.

Addressing participants in the conference, Division General Tadeusz Szacilo, chief of the Main Political Administration of the Polish Armed Forces, expressed his respect for the complete dedication and the ability to unite military duties with didactic and instruction duties displayed by the organizers and heads of political instruction groups in the armed forces.

Your motto, said the general, is to teach and to educate, to create the intellectual foundation of soldiers' attitudes. This does not mean conveying knowledge in the narrow sense but creating the underlying ideological and ethical basis which shapes the manner in which soldiers understand and view their military and civic responsibilities.

The chief of the Main Political Administration also pointed out the role of subunit commanders and heads of political instruction groups in strengthening discipline and eliminating the many negative phenomena which exist in army life. This role is of no small importance for the further improvement of combat readiness, and for shaping the socialist awareness of soldiers who, in the year of the 10th PZPR Congress, will realize ambitious military and civic tasks. The general also described the main ideological and political tasks in the precongress campaign.

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PUBLISHER ON PRINTING WOES, CENSORSHIP, OPPOSITION AUTHORS

Poznan WPROST in Polish 3 Nov 85 pp 4-6

[Interview with Stanislaw Bebek, president of the publishing cooperative "Czytelnik", president of the Polish Association of Book Publishers, by Janusz Michalak: "Intellects Must Also Be Furnished"]

[Text] It is well known that the situation of the Polish book and the publishing movement is not good at present. It strikes at publishers, authors, and at readers in general while they are trying to find good, valuable books in various fields but leave the book counters with empty hands. Is there a chance for emerging from this difficult situation? What do the publishers think about it? This conversation with Stanislaw Bebek, president of the Polish Association of Book Publishers, begins a cycle of articles on this subject.

[Question] Mr. President, I have come to you for a prescription on what must be done to cure the present situation in the Polish publishing movement?

[Answer] You are an idealist if you believe in a miraculous prescription. However, what must be done is known to all of us in this establishment, from the common printer to the ministers and members of the planning commission. Before your arrival I had a telephone conversation with one of the economic vice-presidents who was asking me for a certain book which he can't find anywhere. Do you think he isn't aware of the situation?

[Question] If everyone knows what the situation is and what must be done, then why..?

[Answer] Today, in Poland, it is not possible to cure one area, "one piece of life", and bring it to perfection if all that is connected with it is not functioning properly. We publishers are in just such a situation.

But there is no crisis in the publishing movement, the crisis is in printing. The publishers could blanket the country with valuable texts which the people would buy, but they have no place and no equipment on which to print.

In the 1970's when we spent billions in various fields, we spent hardly anything on the printing industry. In that situation a real "lucky event" was the fire at the "Dom Slowa Polskiego" printing establishment several years ago. Thanks to it it was possible to expand the printing base somewhat, but, more importantly, to improve the work safety conditions for the workers.

The major part of equipment in printing houses is falling apart; 60 percent of the printing presses are over 55 years old. In spite of sporadic remedies to some shortcomings the production capacity has not expanded because it has reached its limits. The publishing movement in Poland is stuck as well.

[Question] Three years ago, though, there was a large jump in publishing?

[Answer] But why? Because we utilized the time when periodicals were not being produced during martial law. We used those presses and paper, and now we are trying to prevent ourselves from being kicked off. But our perspectives are bad. As you can see for yourself, the kiosks are presently full of periodicals.

[Question] How many titles does your publishing office put out in a year?

[Answer] We planned in good faith, hoping for development, as was predicted, and we wanted to publish, for example - this year, about 300 titles. Then we corrected the plan to 210 titles, but really only 170 will appear if things go well. But we have contracts going all the way into 1990. I do not know if I am emphatic enough, but this fact presents a real drama for authors and publishers.

[Question] If the situation is so difficult then how do you explain the fact that bookstore racks are full of books? But most often "that one" cannot be found?

[Answer] I protest against putting the situation in this way. There are no unnecessary books. The general opinion, that bookstores are filled with trash is false. After all, each book has an author and a publisher. One should talk in concrete terms, not annonymously. In Polish journalism this manner has spread, only Jan Marx of KULTURA, abstracting from his reviews of specific books, has come up with an honest method and "socks" it to actual authors and publishers.

[Question] If we assumed that there were no unnecessary books, then you will no doubt agree that in the present situation of enormous shortages there are books whish are more or less necessary than others. Even the director of PIW [Polish Publishing Institute], Andrzej Wasilewski, has given examples in the media, of large press runs of books which, should we say, are less than necessary?

[Answer] So what are you proposing? Mr. Wasilewski proposed 200 titles which should be printed in large numbers and which would give Poles a cultural grounding. To me this means cultural suicide. How can you tell someone to read those 200 books and no others? What do you mean by a large press run? This would mean taking other books off the presses.

Of course there is a shortage of the classics, so we print them. I have printed a million copies of "Pan Tadeusz," but not many people are aware that I had to stop the printing of 30 books by modern Polish authors to do it.

[Question] But the daily press reported that this was done through the utilization of "surplus" paper and press time.

[Answer] Some surplus! It was the same paper and the same presses.

[Question] But even PIW publishes books in large press runs.

[Answer] Yes, when they are low on funds they print Sienkiewicz. But should our thoughts run only to the classics? After all, today people are writing books and want them published. The first timers must try, must even have the right to make mistakes; if the first book does not turn out then perhaps the third one will. There is no other way of raising writers but by publishing them.

[Question] I agree, we must publish both the first-timers and the classics. We must publish Polish literature and some of the more interesting foreign works. The problem, no doubt, lies in the proportions.

[Answer] Presently, the publisher cannot set the proportions. From this year's plan I know that we will not publish about 50 of the proposed titles. But I have no way of knowing which titles will come out and which will not. It is fate that intervenes in deciding the "proportions."

[Question] How do you establish the publishing policy?

[Answer] We manage to cope. All I can say is that all books published by "Czytelnik" are sold and get decent reviews. Our inventory is zero, while we produce one billion zlotys worth of books. Our supply is worth 60 million zlotys which is exactly the amount which, for example, is sent from the printing house in Olsztyn to the warehouse from which they are distributed to bookstores.

The problem lies in the controls and analysis of factors which are continually "governing" the proper functioning of the publishing houses and which create dense memoranda on the subject. We are continually being asked what titles and which authors we are going to publish in a given year. What is the importance of such information? After all the subject of the book is known only to us, and as for the author it can only be said whether he is politically "proven" or not.

One would like to say, "Leave the publishers in peace." Since the publishers are already in their positions then they should have the right to make decisions, and they will manage for themselves. One should trust the publishers.

[Question] Especially since, according to the reform, publishers are now independent?

[Answer] The only one who can be independent is the one who has the funds, and, in our case, the technical means to publish books. But really, at present we are independent from intervention by officials who at one time were able to direct us.

[Question] You are independent, but according to the reform, you are also set up for obtaining maximum financial gain.

[Answer] If at "Czytelnik" we make, for example, 100 million zlotys in profit, then 69 million zlotys are taken up in taxes. We are not set up for profit, but I must admit that we need money. Even if it is used to pay the printing houses on time, a factor which determines when a book will be put on the presses.

One cannot ignore the fact that the introduction of economic rules into the publishing movement has created, in my opinion, a harmful effect, which is the printing of books used to stupefy society. I am refering to books about divining, bio-electricity, the laying on of hands, and the like. This is a phenomenon about which not much is said but it is very harmful to society.

[Question] Mr. President, economic rules govern publishing and the book market now is very absorbent. In this situation it must be easy for publishing establishments to make money. The publishers then must be in a comfortable situation which causes many to follow the path of least resistance.

[Answer] I do not understand.

[Question] There is an opinion that many publishers do not wish to take risks by publishing young "untried" writers or the so-called controversial ones. An insured posture seems to be most profitable.

[Answer] In a certain sense it may be said that it was always like this. I'd like to add that it is less so now than before because "mistakes" now carry no special penalty.

Carrying excessive insurance is unnecessary today, but it still happens. But this concerns specific individuals in the community and we know them. We know those who do not want insurance as "a principle" and publish difficult books; for example Andrzej Kurz from the Literary Publishers in Krakow. For years he has maintained that he will publish good books - not specific authors. This is because literature is not hagiography for certain persons.

This view is held by the highest officials. There is a principle in effect that even if someone considers himself a member of the opposition but writes books that are deemed beneficial from our point of view, then we will publish them. Our office, for example, in accordance with this principle, has published Andrzejewski for years, and still publishes him in spite of certain "suggestions." For example, we publish Tadeusz Konwicki and other young writers who have certain and not other views on political subjects, things they know nothing about, but who write promising books... Now, in the case of publishers who only look for insusrance I have a proposition for you journalists and critics; gentlemen, take them to task and work them over in the press so that they would know that in their profession there should never be an insured position. If such a publisher rejects a good book without a good reason then he should reap the consequences.

This, however, is a specific problem that concerns specific people in specific publishing houses. It has nothing to do with the government. From that direction, I assure you, we have never had so much creative freedom. Not one of our current books has been held back by the censors.

[Question] Did this happen often in the past?

[Answer] With the last team four were held back. But I did not break up the set. I made chalk proofs, and when I was finally allowed, then in the period of two weeks I published them. We at "Czytelnik", also, for example, published "Salve for Rats" by Madej, a book that was previously published by the Literary Institute in Paris.

[Question] Some say that it is easier for writer who is connected with the opposition, or to say more delicately, one who feels some unease toward the government, to publish a book than for a member of the new Literary Union or for a so-called loyal author.

[Answer] The criteria of loyalty or opposition should have no significance. The actual book must be the deciding factor. If it is valuable and contributes to the treasury of human thought then it deserves to be published. If it is merely a declaration of loyalty, then it does not.

[Question] Let us move on to a different problem. For the Polish reader it is not only important that Polish books are published, but that they not lose contact with interesting developments in world literature. What are the prospects since we all know the difficulties with hard currency...

[Answer] There are no special difficulties with hard currency. Our publishing house, for example, for 3 years has not spent a single dollar on these books. Why? Because we have developed relations with authors and publishers in the West. We maintain contact and tell them that presently we can only pay them in zlotys. When we have dollars then we will pay in that exchange, but as long as we don't have them then...

[Question] And they accept these arguments?

[Answer] Perhaps unwillingly, but for the most part they accept them. This is why, even during the most difficult period during martial law, a time of tight restrictions, we did not drop these contacts. Of course there are those publishers who would rather write a request for hard currency rather than go to a little trouble, but I believe that in the present situation that would be harmfull to the economy, a phenomenon that should be treated like all the other examples of waste.

[Question] Strongly said! What can those publishers who have no contacts do? Perhaps an answer could be found in printing certain books for foreign distribution. In such a case could not the publishing houses establish their own pool of hard currency?

[Answer] Even those who publish for foreign distribution do not have such a pool since the regulations do not permit it.

[Question] I have heard that having Polish books printed outside the country, encyclopedias for example, costs three times as much as buying new modern equipment outside the country for producing these books in Poland.

[Answer] This is true, but first one must have the funds for such a purchase. For example, we paid for the printing of encyclopedias in Finland through exta deliveries of cement. We send waste paper and rags to Yugoslavia, etc. These activities are very effective and indicate that everyone here has not lost his head in a difficult situation.

[Question] You then believe that in spite of the shortages of hard currency we are not in danger of loosing our contact with modern world literature?

[Answer] Of course we won't. Any publisher who makes the effort to obtain foreign contacts makes them and can publish the books. The danger is from another direction.

Shortages of various resources are forcing us to cut back our publishing plans; the proportion between domestic and foreign literature is in danger. Of course this is always at the cost of foreign literature, for when it comes to choosing the publisher must always give preference to Polish literature.

[Question] But are there presently many truly valuable examples in modern Polish literature?

[Answer] Unfortunately, there are no great works. In my opinion, modern Polish literature is going through a deep crisis. After great historical events we only have third class literature on the subject. Perhaps it is too early and my expectations are too high; but it is a fact that there are no truly meaningful books on these subjects in the official or the so-called second circulation. I must admit that this is our chief worry.

[Question] Mr. President, "Czytelnik" and other large publishing houses operate in Warsaw. There is a colony of publishers here, as you have mentioned in previous interviews, which is but a few steps from all centers including the government. Is this situation a help or a hindrance?

[Answer] It varies. From one point we are constantly susceptible to constant "suggestions" and telephone calls which distract us from our work. On the other hand, here is a concentration of writers, translators, and critics which enables us to make decisions quickly and come out with initiatives.

[Question] Do you support the postulate spread by our press that in our present situation a certain redistribution of resources is unavoidable; that after assuring the necessary allocations to keep small establishments going and developing, most of the resources should be concentrated in the leading publishing offices which make the greatest contribution toward supplying the book market and assure the best conditions for satisfying the reader's needs?

[Answer] I do not support this postulate. I cannot stand centralization. It is a fact of life in Warsaw but I won't change it since I am not willing to move the Dom Slowa Polskiego. But the small publishers must not be destroyed because we need them all. Conversly, we must build up the smaller publishing centers and decentralize the publishing movement.

For the present situation there can be only one postulate - we must fight bureaucratic thinking at the highest levels and modernize the printing houses. This is because if one day the economy begins to move, then that will be the end of the Polish publishing movement. Then, for the ordinary advertisement of products we will need all kinds of beer labels, operating instructions and pamphlets with which books cannot compete.

[Question] The printing houses prefer this type of work over labor intensive books?

[Answer] This is not a question of "preference," the situation is forced upon them.

If we assume that after 5 years there are to be 1.5 million more citizens in Poland, then let us consider the fact that we will need more schoolbooks; then indeed the future looks black. If the economy moves, and I sincerely hope that it will, then the increased need for instruction books will crush literature. This will be a real tragedy.

[Question] As far as I know, you have conferred on this matter with the highest officials.

[Answer] And not much has come out of these meetings. Everyone is kind; they say that they understand the situation, but still no decision has been made on this matter. In this way we may be petted to death. But some decisions have been made earlier. New printing plants were to be built in Poznan and Torun, but nothing practical has come from that decision.

[Question] Perhaps we have been lulled by the success achieved after the prime minister's appeal, when production of books increased rapidly from 3.7 copies per person in 1981 to 6 copies per person.

[Answer] I explained earlier that this was only possible in a situation when printing presses were standing idle. But no one seems to pay attention to the fact that the number of titles has decreased. In practice this means that entire fields of endeavor have been removed from publication. Just look at what has happened to scientific publishing. Publications from scientific congresses appear years after the event. The scientific book, in many cases, has become historic literature. Out scientists cannot exchange works with their colleagues in other nations. Time is especially deadly to those books.

[Question] Some journalists believe that the lack of decision on the matter of developing the printing industry is the result of the fact that publishers are not a strong enough lobby and do not exert sufficient pressure on the specific government units.

[Answer] We do not need a lobby but a little imagination about what will happen when the economy starts to move. There must be a balance struck between the present poverty and thought for the future. Presently we have reached the limits of printing capacity and it can only get worse. Most necessary in this situation is even a gradual modernization of the printing houses, and the building of new ones in Poznan and Touun.

We must keep reminding the public that it is a duty of a people who represent the socialistic system to care not just for the furnishing of apartments but also for "furnishing the intellect." Meanwhile, the burgeois life style which has become established during the 1970's seems to hold sway. We care more about satisfying our passing whims than about the intellectual culture of our nation and in this the book is most important.

[Interviewer] Thank you for the interview.

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DAILIES FOCUS ON CPSU PROGRAM CHANGES

Correspondent Praises Party Primary

Warsaw TRYBUNA LUDU in Polish 14 Nov 85 p 6

[Article by Jerzy Kraszewski, Moscow correspondent: "The Class Vanguard"]

[Text] The nature of the proposed changes and additions to the CPSU statute corresponds to the nature of the new wording of the party's program. Both documents have the same genesis: they stem from the important and vast theoretical work performed recently by the CPSU. They arose out of the past experience in building socialism and a penetrating, realistic, Marxist-Leninist analysis of the Soviet society's state of development. A theoretical thesis was drawn from this analysis as to the growth of the leadership role of the party--which is the nucleus of the socialist political system--and a new approach to all aspects of party work was proposed. While remaining the party of the working class--its vanguard--the CPSU also became the party of all of the people.

Discipline and Democracy

The basic meaning of the proposed changes in the statute depends on the preservation of dialectic unity between greater intraparty democracy, activeness and initiative, and a growth in responsibility, with all that this entails. On one hand, the standards of intraparty activity require that democratic principles be observed, and on the other hand, that party discipline be observed, that the minority yield to the decisions of the majority. Both parts of this formula--democracy and discipline--which pertain to party members equally as much as they pertain to party organizations and echelons as communist groups, must be examined and applied jointly. Only then will their political and organizational effectiveness be ensured.

In this context also we must examine the plan for an expanded concept of the party members' problems, duties and rights. In the new version of the statute, communists' duties are outlined more fully and in greater detail than in the document now in effect. They include adherence to the party's general line, constant improvement of Marxist-Leninist knowledge, exemplary behavior on the job and in one's personal life, observance of standards of communist morality, and critical evaluation of one's own work and attitude.

In fact, the entire chapter "Party Members, Their Duties and Rights," reads entirely differently in the new draft. It reads like a catalogue of traits which describe the communist stance and determine the party member's ideological, moral and political profile. But in no way is this simply a catalogue of postulates. The statute also draws up a system of actions which shape the desired attitudes and exact them.

Unquestionably, the list is headed by a set of provisions relating to membership. Criteria for acceptance are more stringent, recommendations are regulated, rules of work with candidates are defined, and the practice, already in effect, that members will be accepted into the CPSU only at open party meetings, is sanctioned.

It is emphasized that party membership does not bestow any privileges or conveniences, but only imposes heavier burdens on the communist, more duties and greater responsibilities for everything that is done. Demands on party members clearly increase.

I believe that these more stringent ideological, moral and political criteria, the pressure to maintain high communist standing, the sense of communist pride, deserve separate and more thorough consideration.

Leadership, Control

A similar, separate consideration is doubtless due the statutory increase in the Primary Party Organization's role in the party's activities, its responsibilities, expanded political, ideological and leadership functions, and its larger role in party meetings.

"The Primary Party Organization (PPO)," we read in the draft of the changed version of the statute, "is the political nucleus of the workers' collective. It conducts its work directly among the people, unites them around the party, organizes them to execute tasks in the building of communism, and takes an active part in conducting the party's cadre policy."

In practice, this means, for example, that the economic and state leaders and activists are under constant party control, that they are responsible for their work directly to their own party organizations. This means also that the PPO's are the inspirers and activators of initiatives which serve to intensify production, accelerate scientific and technical progress, modernization, growth of labor productivity, etc. At the same time, they conduct ideological and educational work among the workforces.

In the CPSU attention is often called to the fact that if the program concepts were to be restricted strictly to considering and mirroring the attitudes and moods already existing at a given time, and did not try to deliberately change them, we would be dealing, using Lenin's words, with an abandonment of spontaneity. However, it is the party's duty to change reality.

The party's control function in factories, ministries and other state and administrative institutions, is growing. The CPSU PPO's have had the right to control administrations for a long time already; the new version of the statute elevates this right to one of the most important tasks. It is regarded as one way by which the party can fulfill its leadership role.

In passing, let us take note of something else: In increasing the PPO's role in the conduct of cadre policy, the party is also requiring more from its management employees in the state and economic apparatus. The primary organizations and echelons have a duty to enforce their responsibility for the implementation of the party's resolutions and instructions.

Leninist Standards

That which is most important in the draft of the new wording of the CPSU statute: Raising the level of the party's political and organizational work, making evaluation criteria more stringent, ensuring the purity of party membership, and improving the performance of the leadership role, so that the party in all of its elements--from the Central Committee to the primary organization and group--is truly a deciding factor in the government.

That which is innovative in the proposed new version of the statute: Skillful coordination of the party's increasing leadership functions, a distinct growth in its guiding role, while creating conditions for the development of independence, initiative and activeness in state and social institutions and organizations. First, such an approach makes these institutions responsible to the party, and second, it cautions against their being duplicated or replaced by party echelons.

The detailed rules for exercising the leadership role in this area are outlined in a new chapter, "The Party and State and Social Organizations."

It may be said, therefore, that the requisite for a program which effectively perfects socialism, the requisite for improving the quality of social, political and economic relations, is comprehensive activation of the party. Activation which is understood to be full compliance of practice with the Leninist theoretical concept of a new-type party. A concept based on the principles of democratic centralism.

"The CPSU organizes its work on the basis of the inviolable observance of Leninist standards of party life, the principles of democratic centralism, collegiality of leadership, comprehensive development of intraparty democracy, creative activeness of communists, criticism and self-criticism, and openness,"--the new version of the CPSU states.

Socialist Life Model Provided

Warsaw TRYBUNA LUDU in Polish 19 Nov 85 p 7

[Comments by Jegor Ligaczow, CPSU Central Committee Politburo member and Central Committee secretary, on the draft of a new wording of the CPSU program]

[Text] (PAP) A partywide and nationwide discussion is going on in the Soviet Union on important documents dealing with theory and policy, including the draft of a new version of the CPSU program.

In raising these issues, Jegor Ligaczow, CPSU Central Committee Politburo member and secretary of the Central Committee, said in KOMMUNISTA that the draft approved at the October 1985 plenum of the CPSU Central Committee retains the basic provisions of the party's third program, now in effect, and therefore it is entirely correct to regard is as a new edition of the CPSU's current program. Despite the fact that for many reasons we have not been able to solve some social problems within the time set, our successes convincingly contradict the fictions of imperialist propaganda that the third program failed and that we were forced to abandon it, Ligaczow writes.

The author calls attention to the fact that implementation of the third program was begun at a time when the international situation was very complicated. At that time there was no military-strategic balance between the Warsaw Pact and NATO. During the past quarter century the arrangement of forces in the international arena has changed in favor of socialism. An approximate military-strategic balance between the USSR and the United States has been established. This is a historical achievement of real socialism, Ligaczow says, which makes it possible, as the new version of the CPSU program demonstrates, to defend and strengthen peace, to restrain the forces of aggression and militarism on behalf of the lives of present and future generations. Ligaczow then emphasizes that the Soviet party, better than ever before, now understands the inadmissibility of "leaping across historically indispensable levels of social progress, applying communist principles and formulas without considering the material and spiritual maturity of the people."

In comparison with the program now in effect, the new version contains many new and important provisions: On a planned and comprehensive improvement of socialism; on methods of moving to an intensification of the economy, improving the management system and ratios of division; on obliterating social-class differences, solving the nationality questions, and establishing a new historical community--a Soviet nation; and on socialist self-administration and the prospects that it will gradually transform itself into a communist self-administration.

The author next calls attention to the fact that in the formulation of the party's strategies dealing with the economy and the development of technical-materials facilities, in the draft of the new version a problems-approach predominates, and not a sector-approach, as heretofore. The goal is to achieve the highest labor productivity in the world and double the country's production potential by the end of the century.

The party's social policy is looked upon in the draft as a powerful means of accelerating the country's economic development, increasing the activeness of the people as an important factor in the political stability of society, shaping a new individual, and strengthening the socialist model of life--Ligaczow emphasizes.

Technological Development Discussed

Warsaw RZECZPOSPOLITA in Polish 23-24 Nov 85 p 7

[Text] PAP correspondent Slawomir Popowski writes: What can be done to hasten technical progress and improve its effectiveness in the economic area? How can we ensure rapid application of new engineering and construction solutions which guarantee a growth in labor productivity and thus better results? Those are the problems which are most often raised during the nationwide discussion now going on in the Soviet Union on the draft of the new version of the CPSU program and the main courses of development in the USSR to the year 2000.

In the many items published every day by the Soviet press there is talk not only about the goals but primarily about how they can be achieved, about what past experience might be helpful in the future and the obstacles which still exist.

Program Changes Viewed

Warsaw TRYBUNA LUDU in Polish 30 Nov-1 Dec 85 pp 1, 7

[Report on scientific conference organized by the PZPR Social Sciences Academy and the Executive Committee of the Polish-Soviet Friendship Society]

[Text] The draft of the new wording of the third CPSU program was the main topic at the scientific conference organized by the PZPR Academy of Social Sciences and the Executive Committee of the Polish-Soviet Friendship Society (PSFS), in which Polish and Soviet scientists and a large group of PSFS activists took part. The conference was conducted by Prof Wieslaw Iskra, deputy rector of the Academy of Social Sciences. The following papers were delivered: By Prof Anatolij Amwrosow, "Perfecting Socialism by a Historical Stage on the Road to Communism"; by Prof Prokofij Andrejew, "Strengthening the Leadership Role of the CPSU in the Life of Soviet Society,"; by Prof Valentin Kuzniecow, "Prerequisites for the Soviet Economy to Move into Intensive Development,"; and by Prof Tadeusz Jaroszewski, "The International Importance of Experience in Socialist Building in the USSR."

Professor Amwrosow said that the draft of the new CPSU program is a document which continues and expands CPSU strategy, draws general conclusions from a wealth of experience and takes into account proposals stemming from the changed internal and international situation, based on Marxist-Leninist theory. The scientific bases and the realism of the party's political line and its organizing role are the basic premises for the mobilization of party members and all of society for the accomplishment of primary tasks.

The points contained in the draft of the new version of the CPSU program have been treated in detail in that portion of the draft dealing with the main courses of the country's social and economic development. In it the party's assumptions are translated into the specific language of planned tasks and figures for the next 5 years and for the period to 2000. Prof Valentin Ruzniecow spoke very interestingly about this, saying that over the next 15 years an economic potential will be built which will be equal to that built over the past 68 years. This goal can be reached by rapidly applying scientific and technical advancements, quickly expanding the machines industry, changing the mechanism for establishing prices, giving priority to production of modern products meeting world standards, and improving production relations.

The draft of the new edition of the CPSU program, which generalizes the rich, practical and theoretical achievements of the CPSU, the entire contemporary experience in building socialism and communism, has important international significance. Prof Tadeusz Jaroszewski spoke of this at length. Stanislaw Wronski, chairman of the Executive Board of the PSFS, also referred to these problems in his speech, saying that a stronger USSR economic and defense potential is closely linked with the security of Poland and its economic development. Often the past governs the present, and thought should be given to what should be done for it to govern the future. The new version of the CPSU program and the discussion which developed after it was published, shows how this can be done.

The following persons attended: Henryk Bednarski, PZPR Central Committee secretary; Wlodzimierz Natorf, head of the PZPR Central Committee foreign department; and Aleksandr Aksjonow, USSR ambassador to the Polish People's Republic. Others who participated include representatives of the PZPR Central Committee Ideology Department and of the Main Political Administration of the Polish Armed Forces, and representatives of the Soviet Army in the Warsaw Pact and the Northern Group of Soviet Armies.

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YOUTH, EDUCATION ISSUES HIGHLIGHTED

Enrollment Figures, Majors Described

Warsaw RZECZPOSPOLITA in Polish 15 Nov 85 p 5

[Article by Tadeusz Belerski]

[Text] An analysis of this year's higher school enrollment has been completed. We note that 50,990 people were accepted for the first year of day courses at all types of schools. Most people began instruction in the universities, higher technical schools and agricultural academies.

Czeslaw Krolikowski, vice minister of higher education and schooling, told a PAP journalist that a modified system of candidate selection was in effect for enrollment in daily courses for the 1985/86 academic year. Preferential points due to social origin were retained in only 11 majors. There remains in effect the rule whereby further qualifying procedures after passing the entrance examination were not applied to candidates who received the highest average grades on the entrance examination, candidates who have completed basic military service and those who completed a two-year period of employment in worker positions as well as orphans and those brought up in orphanages.

As in previous years, winners of student olympics and subject competitions and those who passed the entrance examination a year early and received credit for the student work corps were accepted without an entrance examination.

All told, over 110,000 candidates competed for admission to the first year of studies. The majority of the applications were noted in the universities, higher technical schools, medical academies and higher schools of education. There were 3.4 candidates for each place at Warsaw University and three candidates for each place in Poznan. Almost three candidates for each place applied to the Higher School of Education in Slupsk.

Major differences were noted in particular courses of study. Spanish was most crowded, with 8.6 people for each place, 6.9 for art history, 5.7 in psychology. In economics schools, economics and the system of foreign trade were popular. In the technical schools it was data processing and in the agricultural academies it was horticulture. Traditionally the fewest candidates applied to register for physics and chemistry.

According to our estimate, the number of worker and rural youth interested in beginning studies at higher schools of education, economics and agricultural academies and higher naval schools rose slightly. More young people from worker families were interested in beginning medical studies.

The candidates' level of preparation was analogous to previous years--varied but overall similar. A still disturbing phenomenon observed on the examinations was the applicants' lack of skill in logical and precise thinking and poor competence in the proper expression of their ideas.

The Ministry of Higher Education and Schooling, together with the department of education and upbringing, continued the system of preparatory courses conducted free of charge for candidates from worker and rural families, from families with extremely difficult environmental circumstances, orphans, half-orphans and those reared in orphanages. The candidates were evaluated by the high schools with the approval of the superintendents of education and upbringing. This generally proceeded properly, but there were recommendations that were mistaken or submitted too late. More than 16,800 people were recommended for participation in the June preparatory courses. Unfortunately, only 13,000 reported to participate in the courses. Among the participants, more than 60 percent were young people of worker origin. A major portion of the young people attended classes irregularly. Perhaps the reason for this is the fact that the courses and the young people have free room and board.

As in past years, classes were conducted in all examination subjects in the form of lectures, seminars and exercises. The participants' daily load amounted to from six to seven hours. Some 57.5 percent of the candidates participating in the courses received favorable results on the entrance examination. Of the young people of worker and rural origin, 56 percent passed the entrance examination.

Our department wishes to continue this form of preparation for the examination.

National Young Marxists Forum

Warsaw TRYBUNA LUDU in Polish 16-17 Nov 85 p 2

[Text] The large hall of the Academy of Social Sciences [ANS] was so full that there was a shortage of chairs. On the wall was the caption, National Forum of Young Marxists--"Marxism and the Present." They came to Warsaw on 15 November from throughout Poland, from all schools, at the invitation of ANS's young scientific employees.

Dr Marek Kuczynski (also young), the academy's education secretary, and Dr Mariusz Edgaro, chairman of the young scientific employees, performed the honors of the house. Professor and deputy rector Wieslaw Iskra welcomed those attending in the school's name, recalling his own youthful road to Marxism, wishing the program complete success and declaring support for it on the academy's part. Two discussions were anticipated, on the speech by Dr Miroslaw Karwat, "What it Means to be a Marxist in the 1980s" and by Prof Jaroslaw Ladosz, "What and How to Study as a Marxist."

The thematic scope of the discussions exceeded its intended limits. Discussed were conditions in the social sciences, the future of young scientific personnel, methodological issues, the place of Marxism in the modern world, scientific and para-scientific theories, the state of youth awareness and relationships between theory and practice--a great deal for a meeting of a few hours.

For the first time in several years, however, the voice of the young and youngest generations of Marxists was heard in a forum broader than one school or institution. Among the participants in the discussions there were also practitioners, active members of youth organizations. The organizers of the meeting associated a number of different goals with their initiative, among which certainly not the least important are integrating a group which is not very large, becoming better acquainted and exchanging experiences, ideas and concerns. These aspiration are major and necessary, not only for young people.

Conference Promotes Adult Education

Warsaw ZYCIE WARSZAWY in Polish 22 Nov 85 p 2

[Text] Proceedings of the Ninth National Congress of the Society for the Popularization of Culture [TWP], the largest organization in Poland that deals with adult education, began 21 November in Warsaw. The TWP, established in 1950, grew out of the progressive traditions of the Society of Workers' Universities and the Society of People's Universities. It presently brings together over 40,000 members--popularizers of various areas of knowledge and organizers of educational activity. During the almost completed four-year term of lectures and meetings, of which there were nearly half a million, over 17 million students participated.

Delegations from TWP groups from throughout Poland came to the Ninth Congress. Guests of honor at the congress were Zenon Komender, vice-chairman of the State Council, Prof Zbigniew Gertych, vice-president of the Council of Ministers, Prof Tadeusz Porebski, PZPR Politburo member, Prof Henryk Bednarski, PZPR Central Committee secretary, representatives of the ZSL and SD, the PRON National Council and several ministers.

Prof Janusz Gorski, TWP president, presented the program's report to those attending. Prof Gorski began with the statement that the passing term has been one of difficult choices. They resulted not only from the socio-economic crisis of the early 1980s but also from unfavorable changes in the consciousness of part of society. In choosing the programmed line, TWP was guided by the notion of national understanding, the support of rational attitudes and attempts to overcome passivity.

At the beginning of the 1980s the society experienced a period of decline marked by a drop in the number of members and a limitation of activity. The number of lectures during the 1981/82 academic year fell by half in relation to 1980, while the number of permanent centers decreased by two-thirds. Likewise the number of clubs declined. However, just two years later the society achieved a scale of activity similar to TWP's best year in 1979. In the most recent school year the society's activity was more intensive than in any previous period of its existence. TWP ran 4500 permanent education centers, almost 3800 courses and 1800 clubs, while instructors gave 158,000 lectures. Almost 7 million people participated in all forms of TWP's work. A tripling of the society's income over the past four years also permitted effective resolution of the problems of TWP's paid employees and lecturers and permitted rectification of instructors' rates, which had not been adjusted for some time. The proportion of subsidies in the society's funds also decreased.

In recent years the forms of work have also been changing. The concept of establishing an open university in Poland as a higher school to supplement the present educational system, the first among the socialist countries, has been worked out. Some of the public universities have been subject to modification. They have been altered in the educational and cultural centers that play a major role in the society. Experiments such as the Community Public University (in Uscinow near Lublin) or the Multidepartmental Public University (in the "Telkom" plant in Poznan) have been undertaken.

Politburo member Prof Henryk Porebski, in his speech to TWP Ninth Congress delegates, expressed appreciation to the society, which operates in support of shaping positivistic attitudes, rational activities and organized work, which has not been easy, especially in recent years. A fundamental problem for the immediate future is drawing those social groups who remain passive into TWP activity.

Many of the delegates to the congress spoke about a model for disseminating knowledge in worker and rural centers. Delegates from similar societies for the spread of knowledge and education in socialist countries presented their own experience from that activity.

Tomorrow the second day of proceedings.

12776
CSO: 2600/169

SEJM ADMINISTRATION, GOVERNMENT ACTIVITIES

Malinowski on Efficient Government

Warsaw RZECZPOSPOLITA in Polish 18 Nov 85 pp 1,2

["Directions of Action of the Ninth Session of the Sejm" -- PAP report, subtitled "Roman Malinowski at Center for Postgraduate Training of Government Employees"; passages within slantlines printed in boldface]

[Text] /(C) On 16 [November 1985] Speaker of the Sejm Roman Malinowski met with the faculty and students of the Center for the Postgraduate Training of Government Employees. During the meeting the speaker touched upon problems relating to the operation of our supreme deliberative body as well as upon activities of the government./

He offered the reminder that the main directions of action of the Ninth Session of the Sejm are conditioned by economic problems. In this field the parliament faces the vital task of accepting a 1986-1990 national socioeconomic plan in which the requirements of the economic reform would mesh with the socioeconomic aims of the country. The choice of the ways and means facing the Sejm in this connection will not be easy.

/The anticipated changes in the work of the Sejm relate not only to shifting the point of gravity from the legislative to the control function of this supreme deliberative body./ This also concerns, the Speaker stressed, the further strengthening of the bonds between the deputies and the voters as well as refinements in the performance of the Sejm's bodies.

Much attention was devoted to problems of the functioning of the government. These days, R. Malinowski pointed out, /changes have taken place in the functioning of certain central bodies of the government. This is the second time the changes are happening on such a scale in the last few years, but additional changes are also to be expected in measure with the application of the [economic] reform, which after all requires modifying the administrative structures. A general principle for perfecting the democratic processes is the departure from the system of centralized administration and the delegation of powers to self-government bodies./ The changes taking place in the central administration are of a similar nature. The operating mechanisms of local government are being strengthened, although practice still leaves much to be desired in this respect. Hence, local administration should pay more attention to cooperating with self-government and socio-occupational bodies in their areas. This concerns chiefly co-participation in decisionmaking. The state of public administration is affected by the consequences of the socioeconomic situation. In such conditions, the efficiency of administration is considerable.

Public Administration Improvement Goals

Warsaw RZECZPOSPOLITA in Polish 21 Nov 85 pp 1,5

[Report signed (FOR): "To Administer Means to Serve the State and the Citizens; Conference of Academicians and Practitioners Attended by Prime Minister Zbigniew Messner"; passages within slantlines printed in boldface]

[Text] /(Own information) (C). On 20 November of this year a 2-day conference on the role of the code of administrative proceedings in streamlining the activities of government offices came to an end at the URM [Office of the Council of Ministers]./ The plenary session, chaired by Professor Zygmunt Rybicki, undersecretary of state at the URM, was attended by Prime Minister Professor Zbigniew Messner. The participants included representatives of the Supreme Administrative Court, law experts from academe and government employees of varying rank.

Prime Minister Zbigniew Messner stressed that the conference is not just an occasion for assessing the code of administrative proceedings on the 25th anniversary of its promulgation but also a symbol of the administration's desire to streamline the performance of government offices.

Prime Minister Messner continued: "In my Sejm address I emphasized the great importance attached by the government to knowledge of the law, selection of government employees and governmental controls, as well as the importance of a positive attitude of officials toward clients. /We want to have government employees who not only are knowledgeable but display an unassuming and affable attitude toward citizens/ in any situation, even when a matter has to be settled unfavorably to the client. For it is not enough for a government official to declare: 'It's not permitted' or 'Not available.' A positive attitude toward clients is also reflected in the manner in which they are informed of decisions. Let us bear in mind that the government employee is the actual /executor of the state's policy in his community. The attitude of citizens toward the authorities also depends on the public's evaluation of his attitude. Our administration must be coherent in implementing the policies of the authorities and serve the citizens./

Next, the prime minister continued: "Thus, if we demand so much of government employees, we have to bear in mind all the factors encouraging them to upgrade their qualifications and participate in a positive selection of civil service personnel. The achievements of this conference and the intellectual stir it germinated should be creatively utilized to promote these ends."

The plenary session began with reports on recommendations made at yesterday's sessions of the sections, at which the participans stressed the topicality of the code of administrative proceedings, which is considered to be "a politically rational and legislatively sophisticated" code.

Although the code of administrative proceedings is a durable work, it requires continual verification. In this connection, marked differences of opinion arose among experts. Some propose that it be amended with provisions corresponding to the new nonclassical functions of the administration, such as, e.g., rationing benefits. Other discussants cautioned against hasty revisions and an excessive expansion of the list of cases subject to judicial consideration as well as against exceeding the permissible threshold of "proceduralization." A lively discussion lasting several hours dealt with the application of the code of administrative proceedings to economic matters, e.g., as regards disputes between enterprises and their parent agencies and compensation for the economic losses incurred by implementing verdicts that are appealed upon and subsequently voided.

/The role of the NSA [Supreme Administrative Court] as the guardian and interpreter of the code was repeatedly stressed./ In this connection, it was pointed out that certain government employees attempt a kind of evasion from to the judiciature. Hence, to protect the interests of the citizens, the need to extend NSA verdicts to decisions issued in a different form owing solely to fear of having them appealed was pointed out.

The discussion also included many topics of an organizational nature. With reference to the prime minister's address, proposals were made to restructure the system for training administrative employees and establish specific qualifying standards for the exercise of administrative posts. An improved popularization of the code of administrative proceedings not only among government employees but also among the entire society was also postulated.

Constitutional, State Tribunals Begin

Warsaw ZYCIE WARSZAWY in Polish 21 Nov 85 pp 1, 2

["Constitutional Tribunal Begins Operation, State Tribunal Opens" -- PAP report]

[Text] (P) Concurrently with the inauguration of the Ninth Session of the Sejm a new institution in our legal-parliamentary system, the Constitutional Tribunal, is commencing its activities. The weeks remaining till the new year, when it will begin to operate formally, will be filled with preparatory and organizational work.

On 20 [November 85] the speaker of the Sejm Roman Malinowski handed letters of appointment to members of the Constitutional Tribunal. He stated that they constitute the membership of the first ever tribunal in Polish history to be established for the purpose of evaluating the consonance between the law and the Constitution. He also stated that the need to assure this consonance has always prevailed in the legal doctrine of the PRL, but this view has not always been fully reflected in the daily operations of the government. The creation of an institutional safeguard that genuinely assures real consonance with the constitution and the provisions of all normative acts, particularly those issued by the public administration, will help promote socialist democracy and a more effective implementation of portentous tasks such as, e.g., the economic reform.

The formation of the Tribunal will strengthen the confidence of citizens in the legal norms established by the state bodies. According to the Speaker, the Decree on the Constitutional Tribunal is one of the most valuable of the numerous legislative accomplishments of the Ninth Session of the Sejm. Referring to the difficult tasks of the Tribunal, whose proper accomplishment is awaited not only by the Sejm but by the entire society, the speaker voiced the conviction that the attitude of the judges of the Tribunal will be marked by a principled approach, service to the Constitution and uncompromising concern for the full implementation of the Constitutionally established legal principles of our system of society.

The Sejm expects of the Tribunal that it will not only monitor the Constitutionality of the laws in force but also provide general comments on the state of the law as well as information on needed implementing regulations relating to fundamental Constitutional norms.

The members of the Constitutional Tribunal were sworn in.

Also on Wednesday, the members of the State Tribunal were sworn in, after R. Malinkowski handed them their letters of appointment. The Speaker emphasized the importance of the State Tribunal as an institution that is to consolidate the role of law and order and whose special purpose is to focus on the principle of personal responsibility of the individuals holding highest state offices for an exercise of power that is consonant with the Constitution and the laws. Working people in Poland desire to have the certainty that the common national wealth generated by their effort shall not be dissipated through carelessness or incompetence.

The Speaker declared that much has already been done to meet these social expectations, democratize the system of society and consolidate the rule of law -- although undoubtedly the initiated lawmaking processes have yet to be continued and expanded. The Ninth Session of the Sejm shall consistently progress in that direction, according to the speaker, who added that, by its very existence, the State Tribunal shall constitute a factor perpetuating the Constitutional rule and law and order, moral and legal, that apply and should apply at all levels of the exercise of power in People's Poland, and particularly at the supreme levels.

At both meetings with members of the tribunals, deputy speakers of the Sejm were present.

Sejm Deputies Clubs Meetings on Budget

Warsaw RZECZPOSPOLITA in Polish 27 Nov 85 p 5

["Meetings of Deputies' Clubs" -- PAP report; passages within slantlines printed in boldface]

[Text] /(C) On 26 [Nov 85] the Sejm deputies' clubs held meetings./

/At the meeting of the PZPR Deputies' Club the continuing work on the main directions of the club's activities during the Ninth Session of the Sejm was considered./ In addition, proposals of the PZPR Deputies' Club submitted to the Presidium of the Sejm with the object of enriching Sejm deliberations were considered. Bylaws of the club were agreed upon. The amount of contributions to the party fund from the deputies' pay was determined.

/At Tuesday's meeting certain economic and financial problems were discussed. The 1986 Central Annual Plan was considered. Characterizing it, Deputy Manfred Gorywoda, the chief of the Planning Commission, pointed out that this plan represents the beginning of the future 5-year plan./ He stressed the effect of the results of this year on next year's tasks and economic situation. In that context, he pointed to the major importance of three issues: the incomplete implementation of the policy of restoring the commodity-money equilibrium, the lower-than-anticipated exports to the capitalist countries and the higher-than-anticipated investment outlays. He emphasized that qualitative growth factors are acquiring an increasing importance and stress should be placed on them next year. /As regards social problems, the 1986 Central Annual Plan assumes, among other things, an increase (by 2.5 percent) in consumption, increases in pensions and annuities, and higher nursery and school enrollment./

Aspects of the projected budget for the next year as well as of other financial plans, including draft decrees that will be submitted to the Sejm on Wednesday, also were discussed. Among other things, the need for more effective price policies was stressed. Attention was drawn to the need for solutions enhancing the interest of enterprises in the application of technological progress and expansion of exports.

The deliberations were chaired by Tadeusz Porebski.

/At the meeting of the ZSL [United Peasant Party] Deputies' Club, whose deliberations were attended by the Chairman of the ZSL Supreme Committee Roman Malinowski, the discussion focused on the assumptions of the draft state budget./ Among other things, the need for a precisely defined concept for halting inflation and regularizing the state's fiscal operations was pointed out. For example, a greater curtailment of budgetary subsidies was supported. /It was emphasized that halting inflation is of fundamental importance to a more effective solution of social problems./

As regards agriculture and food management, the assurance of adequate funds for the development and, above all, modernization of the agricultural and food industries, land reclamation, and rural water supply was postulated. Other topics of the dicussion pertained to the need for further refinements of the agricultural insurance system as well as to the question of assuring a parity of farm and nonfarm incomes. Of the current topics the most important one was thought to be the solution of the problem of rural coal supplies. The deliberations were chaired by Tadeusz Szelachowski.

/During the deliberations of the SD [Democratic Party] Deputies' Club the deputies familiarized themselves with the basic assumptions of the 1986 Central Annual Plan and the basic problems of the state budget for the next year./ Representatives of the Planning Commission under the Council of Ministers and of the Ministry of Finance, who were present at the meeting, answered many specific questions from deputies who, e.g., were curious about the intent of fiscal policy toward the crafts industry, which is of great significance to its development. Anxiety was voiced about the monopolization of certain fields of the economy, and other questions raised concerned ways of financing cultural activities from local budgets, effective methods of combatting inflation, shortages of investment and capital-reproduction funds in trade and petty industry, and imbalances between the plans for the production of building materials and the construction plans. The deputies also were interested in, among other things, the application of principles of the economic reform to enterprises nearing bankruptcy as well as restrictions on producers who unjustifiably jack up prices.

/Aspects of the plenary session of the Sejm scheduled for this coming Wednesday were discussed, as were the plans of work of the Chamber and the SD Deputies' Club for the immediate future. The deliberations were chaired by Marek Wieczorek./

National Defense Commission Meeting

Warsaw TRYBUNA LUDU in Polish 27 Nov 85 p 2

["Activities of the Sejm Commission for National Defense" -- PAP report]

[Text] /On 26 [Nov 85] was held a session of the Sejm Commission for National Defense/. Representatives of the heads of the Ministry of National Defense briefed the commission about selected aspects of the military threat to our country, the structure and tasks of the PRL Armed Forces and the nation's defense system and its operation. During the discussion the deputies received additional explanations. Emphasis was placed on coordinating defense policies with the country's overall development as well as on the army's participation in work promoting the national economy, and a system of rational management of the armed forces was discussed along with its effects. Deputy Henryk Jablonski chaired the meeting.

1386
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PROVINCIAL DEFENSE COMMITTEE MEETINGS

Katowice Defense Committee

Katowice TRYBUNA ROBOTNICZA in Polish 24 Oct 85 pp 1, 2

[Article by Jerzy Miemiec: "The Constant Struggle With Thievery on the Railroads"]

[Text] There is no leniency in cases of thievery on the Polish State Railroads nor will there be, regardless of who commits it. The Provincial Defense Committee (PDC) in Katowice at its 14 August meeting took an extremely strong stand on the status and effectiveness of plans being implemented by the Silesian District Directorate of State Railroads (DDSR) to safeguard the property being hauled by the railroads. It is requiring that a verified, concrete program be developed which, when it is instituted, will visibly improve the situation.

Yesterday, the 23rd, the PDC at a meeting conducted by its vice-chairman, Gen Bde Jan Lazarczyk, chief of the Provincial Military Staff, again discussed this very important, from an economic and social point of view, problem.

The extensive program, presented by the Silesian DDSR and the district task force for the safeguarding of property and the counteraction of thievery on the State Railroads, which had been coordinated earlier with the Provincial Internal Affairs Office and the Provincial Prosecutor General's Office, was approved this time along with its supplements.

The list of specific measures, some of which, according to Kazimierz Drozd, assistant managing director, chairman of the Silesian DDSR Anti-Theft Task Force, have already been put into effect, is truly long. A number of meetings have been held in the most vulnerable State Railroads stations and junctions with representatives of the prosecutor's office, the militia, the PZPR Factory Committees, and the trade unions, in attendance. To set an example and as a deterrent, railroad employees who steal cargo and State Railroads property, will be tried on station grounds by collegial courts, with railroad crews attending the trials. "Blockade"-type campaigns will continue to be conducted regularly by the Citizens Militia, the Volunteer Reserve of the Citizens Militia, and Polish Army soldiers. Before referring persons for jobs on the railroads, the employment offices will consider the individual's past record.

Prizes will be awarded to those employees who do outstanding work in safeguarding property and revealing crimes, and part of the salaries paid to those who manage and supervise the stations will, according to the program, depend on "elimination of transport irregularities which facilitate the occurrence of thievery." The names of State Railroads employees who committed thefts and the punishment administered, will be made known to the railroad workforces.

Cars and trains carrying valuable cargo will be given greater protection and the work of investigation teams will be intensified.

The list of measures already partially implemented is long. But the fact is, and those who took part in the discussion, including Gen Bde Ryszard Szuster, head of the Provincial Internal Affairs Office, Jan Zielinski, PZPR Provincial Committee secretary, and Stanislaw Ganszczyk, deputy provincial prosecutor general, called attention to it, that despite some improvement the number of crimes and their detection is still very disturbing. Thus elimination of the causes of this state of affairs is a priority task.

The PDC has assigned the Silesian DDSR the task of regularly examining the security of property against theft and destruction during transport.

The PDC also discussed defense problems, heard a report on the sociopolitical situation, the state of law and order in the province, and how the needs of the armed forces and civil defense are being met.

Krakow Defense Committee

Krakow ECHO KRAKOWA in Polish 30 Oct 85 p 2

[Text] The Provincial Defense Committee in Krakow met yesterday. The meeting was chaired by Mayor Tadeusz Salwa.

Problems of housing construction and the present status and prospects for expansion of telecommunications in Krakow and in the province were discussed.

The committee acquainted itself with the current state of law, order and public safety..

Skierniewice Defense Committee

Skierniewice WIADOMOSCI SKIERNIEWICKIE in Polish 14 Nov 85 p 2

[Text] Last week in Skierniewice the Provincial Defense Committee (PDC) held a meeting which was attended by the PZPR Provincial Committee secretary, J. Marchew and conducted by Governor K. Borczyk, PDC chairman. The state of the fighting readiness of fire departments in the province was assessed.

The materials submitted by PDC members and the additional information supplied by the chief of the Krakow Province Fire Department, A. Piatkowski, showed that there has been distinct progress in equipping fire departments with firefighting equipment and vehicles. Training and preventive work has also improved. Regional Volunteer Fire Brigade facilities are also expanding. Six new lookout stations have been put into service and 26 more are being built. Preliminary work has been begun on construction of a provincial lookout station which is to be completed in 3 years. The efficiency of fire departments will improve and response time to fires will be further shortened by a new system of radio-activated sirens. The efficiency of firefighters is also being improved through a system of drills and contests.

The PDC also assessed the results of the recruitment of youth to professional military schools. It was found that the quota assigned to the Provincial Military Staff was filled and even exceeded. Meetings of young people with Polish Army officers, organized trips to officers schools, and "open barracks" days, turned out to be very useful in acquainting the young people with the nature, conditions and work of the Army.

The participation of the teaching cadre of the junior high schools was given a high rating, emphasizing that information on the military profession should be expanded through collaboration with the Polish Scout Union. Friendly contacts between Higher Officers School students and their young high-school colleagues would also be valuable.

The PDC members next heard reports on the safety and public order in the province. They learned that during the first three quarters of this year the crime rate dropped, and particularly crimes against life and property. The crime-detection index rose, especially crimes relating to bootlegging and speculation. But the high crime rate among juveniles is disturbing, as is economic crime, with large numbers of persons failing to make alimony payments. Traffic accidents continue to be a menace, caused mainly by drunken drivers and careless pedestrians.

9295
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BRIEFS

PRON GRUNWALD COMMITTEE--On 28 January 1986 Kazimierz Barcikowski, deputy chairman of the Council of State and chairman of the National Grunwald Committee, met with a delegation of government officials from Olsztyn Province and the first secretary of the PZPR Olsztyn Province Committee, Jan Laskowski. The chairman of the Citizens' Grunwald Committee in Olsztyn, Edumund Wojnowski, reported on the work the committee has accomplished to date. The ensuing discussion centered around the tasks facing the National Grunwald Committee, which was created in response to a resolution passed by the PRON National Council. [Text] [Warsaw TRYBUNA LUDU in Polish 29 Jan 86 p 2] /8918

SZALAJDA SEES BROVIKOV--On 30 January 1986 Vice Premier Zbigniew Szalajda met with the USSR Ambassador Vladimir Brovikov. [Text] [Warsaw TRYBUNA LUDU in Polish 31 Jan 86 p 2] /8918

SOVIET ENVOY AT FRIENDSHIP SOCIETY--On 30 January 1986 a meeting was held between the executive staff of the Polish-Soviet Friendship Society National Board and the USSR Ambassador Vladimir Brovikov. The chairman of the Polish-Soviet Friendship Society National Board, Stanislaw Wronski, reported on the society's activities and current tasks. The status of cooperation between the Polish-Soviet and Soviet-Polish friendship societies was discussed. [Text] [Warsaw TRYBUNA LUDU in Polish 31 Jan 86 p 2] /8918

PRON APPEAL ON PRISONER RELEASE--On 30 January 1986 the collegium of the PRL Prosecutor's Office reviewed, inter alia, a report on the response of the PRL Prosecutor's Office to the PRON humanitarian initiative concerning the release of persons imprisoned for so-called non-criminal offenses. It was concluded that action by the prosecutor's office in response to this initiative has been proceeding in a proper manner. In accordance with the wishes of the PRON National Council Executive Committee, the Posecutor General's Office forwarded to the committee a detailed listing of persons released from custody so as to enable PRON authorities to exercise a rehabilitative influence over these persons in order to forestall their becoming repeat offenders. [Text] [Warsaw TRYBUNA LUDU in Polish 31 Jan 86 p 2] /8918

PZPR 10TH CONGRESS PREPARATIONS--On 3 February 1986 the PZPR Central Committee headquarters was the site of a conference party provincial committee secretaries devoted to a discussion of ideological and public relations problems associated with preparations for the PZPR 10th Congress. The participants discussed key tasks related to the general pre-congress news and public relations campaign and in particular to the debate on the draft version of the party platform, the congress issues agenda, the plans of the mass communications media, and key problems in the field of the arts. The conference, which was chaired by PZPR CC Secretary Henryk Bednarski, as attended by Jan Glowczyk, candidate member of the Politburo and CC Secretary. [Text] [Warsaw TRYBUNA LUDU 4 Feb 86 p 2] /8918

MEDIA BRIEFING ON 24TH PLENUM--Critical issues discussed at the 24th Plenum of the PZPR Central Committee were the topic of a meeting held on 3 February 1986 with press, radio and television correspondents from the socialist countries and the press attaches of the embassies of these countries in Warsaw. Briefings on the proceedings of this plenum were presented by Boguslaw Kedzia, director of the PZPR CC Department for Science, Education, and Scientific and Technological Progress, and Leszek Miller, director of the PZPR CC Department for Youth Affairs, Physical Education, and Tourism. [Text] [Warsaw TRYBUNA LUDU in Polish 4 Feb 86 p 2] /8918

SOVIET-POLISH TRADE UNION COOPERATION--On 3 February 1986 OPZZ Chairman Alfred Miodowicz met with the director of the Foreign Department of the Soviet trade union national organization, Vladimir Sergeyev. Information was exchanged on the activities and cooperative ventures of the union movements of the two countries. The importance of lending support to the disarmament program as spelled out in the Mikhail Gorbachev Plan was emphasized. V. Sergeyev also met with the Stanislaw Gabrielski, director of the PZPR CC Department for Social and Trade Union Affairs. [Text] [Warsaw TRYBUNA LUDU in Polish 4 Feb 86] /8918

VISITING SOVIET TRADE UNIONISTS--A delegation of the Auditing Commission of the All-Union National Council of Trade Unions headed by the commission chairman, Lidia Kubiak, arrived in Poland on 3 February 1986 for a visit. The purpose of the visit is to share information and experience on the work being done by the statutory bodies of both national trade union movements, the OPZZ and the All-Union National Council, with special emphasis on the working techniques of audit, inspection and financial bodies. [Text] [Warsaw TRYBUNA LUDU in Polish 4 Feb 86 p 2] /8918

RADIOACTIVE MATERIALS THEFT--At the Wroclaw thermal electric power plant persons unknown have stolen two smoke detectors that were installed in a special tunnel. These "DIO-30" detectors are complex devices whose design and performance involves the use of radioactive materials. The investigation of this case is being conducted by the local provincial office of internal affairs. Experts warn that the levels of radioactivity in these detectors may be a hazard to health or even life threatening, especially so in the event that the detectors are disassembled. [Text] [Warsaw ZYCIE WARSZAWY in Polish 4 Feb 86 p 2] /8918

SMUGGLED PRINTING EQUIPMENT INTERCEPTED--During a customs inspection at the Olszyn (Zielona Gora Province) border crossing of a truckload shipment from the FRG to the Roman Catholic St Jan Bosco parish in Poznan customs inspectors discovered in the truck a duplicating machine, paper, carbons, and duplicating fluid that were not registered on the bill of lading. This illegally transported printing equipment was part of a shipment of gifts that included items such as used beds, matresses, cabinets, footwear, apparel, and medicines. The shipper was identified as the Catholic parish of Kressbronn, FRG. This case is being investigated by the Zielona Gora Province Prosecutors Office. [Text] [Warsaw ZOLNIERZ WOLNOSCI in Polish 5 Feb 86 p 5] /8918

NICARAGUAN NATIONAL ASSEMBLY GROUP VISIT--Warsaw, 19 Feb--A delegation of the Nicaraguan National Assembly arrived here today for a few-day visit. Members of the delegation, deputies of the Sandinista National Liberation Front, Julio Marenco and Jaime Onil Perez are guests of the Sejm, with which the Nicaraguan parliament has been developing more and more fruitful cooperation. The Nicaraguan guests have paid a call on depty Sejm speaker Mieczyslaw F. Rakoswki and presented him with information on the political and economic situation in their country. They stressed that last years' elections to the National Assembly, won by the Sandinista National Liberation Front, were an important event in strengthening the Nicaraguan revolution. The working out of a new constitution, to replace the current provisional one, is one of the most important tasks of the new parliament, said the guests. The Nicaraguan guests also spoke on the constant need of strengthening the achievements of the revolution in their country. They stressed that it depends not only on the attitudes and aspirations of the Nicaraguan people, but also on the understanding and support for the Nicaraguan cause of mainly the socialist countries and also other countries. /Text/ /Warsaw PAP in English 1710 GMT 19 Feb 86 LD/ 12228

BORDER GUARD KILLED ON DUTY--The funeral of a soldier of the Border Guard, Private Krzysztof Gesiarz, who was killed 4 days ago while carrying out his duties, took place in Biala, Czestochowa Voivodship. The border guard was pushed into the port canal at Kolobrzeg by a Danish sailor who wanted to come onto his ship without producing documents. After mass in the parish church, the coffin containing the body of Krzysztof Gesiarz, escorted by a guard of honor, was carried to the cemetery. The deceased was accompanied by members of his immediate family, comrades and superiors from the army, representatives of the Czestochowa Voivodship authorities, and by inhabitants of his home village. /Text/ /Warsaw Domestic Service in Polish 2200 GMT 15 Feb 86 LD/ 12228

USSR CULTURAL AGREEMENT--At the Ministry of Culture and Art an agreement has been signed on cooperation in cinematography between the USSR and Poland this year. On the Polish side the agreement was signed by Deputy Minister Jerzy Bajdor (SMCLN) while the Soviet side was represented by deputy chairman of the State Committee of the Soviet Union for Cinematography, Mikhail Aleksandrov. /Excerpt/ /Warsaw TV Service in Polish 21100 GMT 5 Feb 86 LD/ 12228

FUNGAL INSECTICIDE--Polish scientists have found an efficient, yet safe way to fight the Colorado beetle and protect people and animals. A species of Funus named baveria Bassiana has become man's ally in the struggle against the Colorado beetle. As laboratory tests have shown, its spores completely destroy the beetle's eggs, larvae and adult specimens. The problem consists in selecting a prepared substance suitable for universal use with an effectiveness equal to that of the fungus itself. Several years of efforts by scientists at the Institute of Ecology of the Polish Academy of Sciences in Dziekanow Lesny near Warsaw have ended in success. At the Polfa Pharmaceutical works in Pabianice, the technology of production of the substance on an industrial scale has already been developed. It is now undergoing the final tests. /Excerpts/ /Warsaw TV Service in Polish 2110 GMT 5 Feb 86 LD/ 12228

ACCORD WITH CSSR WRITERS--An agreement defining principles of cooperation in 1986-87 between the Union of Polish Writers (ZLP) and the Czechoslovak Union of Writers has been signed. The agreement envisages an increase in exchanges between the two unions. /Text/ /Warsaw Domestic Service in Polish 2300 GMT 3 Feb 86 LD/ 12228

WARSAW WRITERS MEETING--A general meeting of the Warsaw branch of the Union of Polish Writers (ZLP) has taken place in Warsaw. Krzysztof Gasiorowski was elected chairman. He had been elected chairman of the Warsaw branch in February 1984. This function was entrusted today to him again. /Excerpts/ /Warsaw Television Service in Polish 2025 GMT 30 Jan 86 LD/ 12228

CIVIC MILITIA MEETING--The activity of the Social Committee of the Voluntary Reserve of the Civic Militia (ORMO) has been revived in Janowiec Wielkopolski. The first secretary of the PZPR municipal-parish committee in Janowiec Wielkopolski, Zbigniew Zajaczek, was elected chairman. The composition of the Janowiec ORMO committee also includes some of the directors and heads of the local works enterprises. Preparations for celebrating the 40th anniversary of the movement were discussed. /Text/ /Bydgoszcz Domestic Service in Polish 0600 GMT 31 Jan 86 LD/ 12226

PROVINCIAL PZPR CONFERENCE--On 13 February 1986 Politburo member and PZPR CC Secretary Marian Wozniak chaired a meeting of provincial party secretaries devoted to a discussion of critical problems affecting social policy and collaboration between the PZPR and the trade unions and workers self-management council in the implementation of these policies. It was emphasized that the trade unions and workers councils have an important role to play in the process of implementing economic reform, enhancing economic performance efficiency, encouraging civic involvement in activities dedicated to industrial rationalization and innovation, resources conservation, and boosting the quality of industrial production. It was concluded that the work to be done by the trade unions and workers councils should serve to help increase worker understanding of economic affairs, encourage their more active involvement in civic and plant affairs, and reinforce the role played by the working class as a conscious protagonist in the process of economic planning and management. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Feb 86 p 2] /8309

SOVIET ENVOY WITH RAKOWSKI--On 13 February 1986 USSR Ambassador Vladimir Brovikov paid a visit to the Vice Marshal of the Sejm, Mieczyslaw F. Rakowski in connection with the onset of his diplomatic mission in Poland. On the same day Ambassador Brovikov also paid a visit to Sejm Vice Marshal Marek Wieczorek. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Feb 86 p 2] /8309

PZPR ROLE IN EDUCATION--A three-day seminar on education system problems for secretaries of teaching profession party committees and officials of PZPR provincial committees held at the Party Training Center of the PZPR Central Committee has come to an end. The participants discussed key problems affecting party work in the educational system. The main focus of attention was on efforts geared toward providing for the effective implementation of the resolution passed by the 24th Plenum of the PZPR CC. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Feb 86 p 2] /8309

COOPERATION WITH SOVIET JOURNALISTS--The scope of cooperation between Polish and Soviet journalists is increasing with each passing year. To an ever increasing extent press, radio, and TV journalists from Poland and the USSR are participating in and reporting on major events taking place in both countries. In Poland there is growing interest in the Soviet press and publishing industry. This is attested to by the agreements signed every year between Workers Publishing Cooperative "Prasa-Ksiazka-Ruch" and its Soviet counterparts.

The importance of cooperation between Polish and Soviet journalists, especially so in view of the upcoming 27th Congress of the CPSU and the 10th Congress of the PZPR, was highlighted by candidate Politburo member and PZPR CC secretary Jan Glowczyk at the annual meeting with Soviet correspondents that was held on 14 February in Warsaw. Jan Glowczyk thanked the Soviet journalists for the work they have done in this country and wished them much success in their careers. The meeting, which was hosted by the chairman of the Workers Publishing Cooperative, Wieslaw Rydygier, was attended by the entire press corps. Representatives of the USSR Embassy were also in attendance. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 p 2] /8309

SIWICKI BRIEFED ON GDANSK SITUATION--Army General Florian Siwicki, candidate member of the Politburo and minister of national defense, has met in Gdansk with senior officials of the provincial government. Stanislaw Bejger, candidate member of the Politburo and first secretary of the PZPR Provincial Committee in Gdansk, gave a briefing on the local social and political situation, and Gen. Bde. Mieczyslaw Cygan, Gdansk Province governor, reported on the local economic situation. The meeting was attended by the chief of the Main Political Administration of the Polish Armed Forces, Gen. Div. Tadeusz Szacilo. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 p 2] /8309

GOMULKA COLLECTED WORKS--The editorial committee in charge of the publication of Wladyslaw Gomulka's "Collected Works" has held another meeting at PZPR CC headquarters. The committee met to discuss editorial policy for this edition and review a draft of the first volume. As a result of the discussions that they held decisions were made on the guidelines and scope of the work to be done by the team of authors hired to work on the initial volumes in the series, and recommendations were made on action to be taken with a view to improving and, at the same time, speeding up work on this edition. The committee decided to issue an appeal for everyone's help in gathering materials covered by the editorial program plan and decided that the first volume in the series would encompass the period from January 1943 to December 1945 and would be published next year. The meeting was chaired by CC Secretary Henryk Bednarski. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 p 2] /8309

SOVIET AMBASSADOR MEETING--On 14 February 1986 T.W. Mlynczak, chairman of the Democratic Party Central Committee and deputy chairman of the Council of State, met with the USSR ambassador, Vladimir Brovikov. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 p 2] /8309

CONGRESS BRIEFING FOR ZSL PRESS--Tasks facing the ZSL press in advance of the PZPR 10th Congress formed the topic of a meeting of senior editors and journalists that was held on 14 February 1986. Presidium member and Executive Committee member Kazimierz Kozub discussed editorial policy guidelines for the ZSL press during the pre-congress campaign. Deputy director of the PZPR CC Propaganda Department, Stanislaw Glen, gave a presentation on the progress of the pre-congress debate to date, the main premises of the PZPR draft Program, and the role of the media in publicizing this program. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 p 2] /8309

CSO: 2600/273

REGULATIONS FOR HANDLING OF PROP WEAPONS BY ARTISTIC UNITS

Bucharest BULETINUL OFICIAL in Romanian Part I No 6, 31 Jan 86 p 4

[Council of Ministers Decision Amending and Supplementing Council of Ministers Decision No 1369/1971 on Measures in Connection With the Handling of Weapons and Ammunition and for the Determination and Punishment of Violations in This Area]

[Text] The Council of Ministers of the Socialist Republic of Romania decides: Sole article—Council of Ministers Decision No 1369/1971 on measures in connection with the handling of weapons and ammunition and for the determination and punishment of violations in this area, republished in BULETINUL OFICIAL, Part I No 21 of 8 March 1976, is amended and supplemented as follows:

1. Paragraphs 3 and 4 of Article 10 will have the following content:

"Cultural-artistic associations which possess panoply weapons, as well as culture and art institutions which possess such weapons or prop weapons, will list in the registration application the number of weapons in their possession, the characteristics of each individual weapon, as well as whether or not they have been rendered harmless. Documentation will be attached to the authorization request in regard to those weapons which have not been rendered harmless since they are rare weapons or are of special historic, documentary, scientific, or artistic value.

The possessors of panoply or prop weapons specified in paragraph 3 are obliged to keep a record of these weapons in accordance with the instructions given by the militia organs."

2. A new paragraph, with the following content, is inserted in Article 31:

"Prop weapons are rendered harmless by stopping up the bore with two steel pegs riveted and welded to the outside of the barrel. These pegs will be placed so that only blank ammunition can be put in the cartridge chamber."

Council of Ministers of the Socialist Republic of Romania
Prime Minister, Constantin Dascalescu

Bucharest, 27 January 1986
No 18

/8309
CSO: 2700/95

GRLICKOV STRESSES SAWPY ROLE IN NEW SYSTEMIC DEVELOPMENT

Belgrade BORBA in Serbo-Croatian 1-2 Feb 86 pp 1, 3

[Interview with Aleksandar Grlickov, president of the Federal Conference of SAWPY]

[Excerpts] [BORBA] Recently one can hear even more often the thesis that the revolution in our country is threatened. Do you believe this thesis is correct...?

[Grlickov] The economic and social crisis here has probably produced such a concern. Various anti-socialist phenomena and forces which have arisen and have partly succeeded in expanding the political area of their action have also probably had an effect on this.... However, this is not close to my view of our socioeconomic circumstances and their future. If one holds the thesis that the revolution is threatened, the question is immediately raised: "Which revolution? And how is it threatened?" ...and this thesis corresponds with another already official thesis, that the basic conflict in our country is between the forces of statism and those of socialist self-management; hence, not between revolution (which, I repeat, is not identified) and counterrevolution.

Why do I insist on asking which revolution is threatened? Does one have in mind here that every socialist revolution is authentic, self-aware, and an unrepeatable process, so accordingly biased and in a certain sense also one-sided? In this accepted and undisputed historical truth one should always keep in mind that there also exists the possibility of a dogmatization of its theoretical and political thought. Its [the revolution's] deformation begins, in fact, in this process. In answer to your question, I want to ask the following question: Is it a question of a threat to our revolution or is it a question of a deformation of the revolution as a result of its internal dogmatization?

The second thesis with which I want to defend my disagreement with the view that our revolution is being threatened is that it is known from history that every revolution has always expressed its own concrete historical limitations, from its inception throughout the stages of its development. This is a natural process of its development. In addition, the possibility for stagnation, the sharpening of social contradictions, and the differentiation of goals from practical action can also occur.

[BORBA] In public statements you have recently made you have insisted several times on the need to project a new stage in our development. What do you mean by this?

[Grlickov] The present model of industrialization and its priorities have exhausted their potential and require change. These changes must give more consideration to the requirements of the new technological revolution (oriented toward the medium- and small-scale economy in new branches and toward solving structural disproportions), as well as giving more consideration to new comparative advantages which we have created in the past period, that is a skilled labor force and accumulated knowledge as a whole among the large number of unemployed in the country as well as those who are abroad. I think the changes will require a new method of industrialization in a broad sense which will keep in mind the shortage of social [capital] accumulation and the hidden and unused potential of accumulation existing in private property. We have comparative advantages in cheap labor..., unused potential in agriculture, and the undeveloped tertiary sectors.

We have established that the existing institutional mechanism...is less and less able to solve the socioeconomic contradictions. Solutions are often therefore sought outside the system of ...self-management.

The new projected stage must remove the polyp of polycentralist or centralist etatism and disintegrative tendencies and divisions. It must create a new turn in development inspired by integration and homogenization. The basis for this is the action of the workers class, other working classes, and social groups in order to turn from stagnation to a unified market and mutual agreements..., but also to mutual competition.

Discussions about the...national economies, I agree, are becoming more frequent and bitter, but they are not yet over and will not be easily concluded as long as politics dominates economics so powerfully. These discussions will continue as long as direct producers do not have the material and institutional base to dispose of all surplus labor, as long as political decisions override the producers' decisions, and...as long as the entity responsible for the working class and national interests is not the working class itself but, rather, someone else acting in its name, such as a political bureaucracy.

The practice of national economies has opened up disintegrating processes with a strong potential toward autarchy, reaching into the OURs. These... are facts which cannot be overcome by political or ideological reform but by changes in the mechanism of the economic system and in the mechanism of the political system.

To develop the new content of political life it is important that all subjective forces of socialism, the LCY, SAWPY, the Trade Union Federation, Youth Organization, etc., form a real identity. Presently, none of them have their own strategic orientation. The LCY is integrated too much with the state and does not act to a sufficient degree as an ideological-political force through the regular mechanism of the political system on the public stage of political life. In regard to SAWPY and other members of the popular front, their role as a transmission line [of the LCY] and their own autonomous identity have been at variance.

Identity, and this means...independence and the free expression of the interests and ideas of its members, is an essential factor for developing a new quality in political life.

[BORBA] Can some changes be expected from the present elections?

[Grlickov] I have spoken quite a bit about the elections in the last few months, so I will only say that elections should radically change the class-social structure of the delegates in the delegate assemblies and sociopolitical organizations, expanding the possibilities for all socialist and self-management-oriented people, regardless of whether they are LCY members or not, Marxists or non-Marxists, theists or atheists. If the cadre composition of the political pyramid is not formed in this way, it is difficult to expect that intermediary interests will be suppressed and that [elections]...will also be the framework for a new quality of political life.

There is no new quality of political life without the real role of the Socialist Alliance, as the front of all organized socialist forces. Now we do not yet have such a Socialist Alliance. There are still vacillations and resistance in political practice. The criticism that SAWPY is still carrying out a transmission-line role...is correct.

[BORBA] And the League of Communists?

[Grlickov] In reality, of course, channels and potentials have been released so that forces are appearing in the LCY which are drawing the party into a traditional political party, i.e., into the traditional one-party system in regard to the methods of its action. On the other hand, there are signs that the outcome of the...contradiction is being sought in a traditional multiparty organization; as if our problems will be easier to solve with two parties, the LCY and a Socialist Party, for instance, if this is, in general, realistic in our multinational and multiconfessional society. Our answer is along a positive historical line, namely, that under our conditions neither the classic one-party nor the multiparty system is appropriate. At the same time, as is known, our answer is not reality [stvarnost], it does not communicate intimately with reality.

Therefore, when we speak about the place and role of the Socialist Alliance as a front for all organized socialist self-management forces we are, in fact, speaking about the existential question of our self-management socialism and multinational society. I am not sure that everyone understands this very important truth--which is partly the result of our historical essence and partly the conviction that in our basic orientations there is a stalemate in forming self-management socialism under our conditions.

I must say, finally, that knowledge and both political and moral courage are necessary to create this new projected stage. We...need knowledge and moral and political courage to decisively meet the challenges of the present without the complexes of the past, to meet the goal of changing the present and controlling and forming the very uncertain future.

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- END -

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East Europe Report

FBIS FOREIGN BROADCAST INFORMATION SERVICE

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14 March 1986

EAST EUROPE REPORT

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SUMMARIES OF MAJOR EINHEIT ARTICLES, JANUARY 1986

East Berlin EINHEIT in German Vol 41 No 1, Jan 86 (signed to press 10 Dec 85) pp 2, 96

[Summary of article by Prof Dr Helmut Koziolek, member of the SED Central Committee, director of the SED Central Committee's Central Institute for Socialist Economic Management, chairman of the economic sciences research council, member of the Academy of Sciences, GDR, and member of the EINHEIT editorial board; pp 12-20. A full translation of this article is published in this report]

[Text] Linking Science With Production

Implementing the new phase of the economic strategy compellingly necessitates a closer economic link between science and production. What objective measures must then be met? From which experiences, gained in the combines, must general rules be drawn so that, relying on basic research data, scientific-technical top achievements are to be attained and are swiftly converted into new products and technologies in being as well utilized economically as possible? What expresses the growing weight of the subjective factor in dealing with the tasks to be solved?

[Summary of article by Prof Dr Wolfgang Biermann, member of the SED Central Committee, general director of the VEB Carl Zeiss JENA Combine; pp 21-27. A full translation of this article is published in this report]

[Text] The Combine's Scientific Potential

Closely linking the combines' science and research potentials with their economic cycles has turned out to be a highly beneficial and efficient form for achieving scientific-technical top performances high in economic yield. Which experiences can the VEB Carl Zeiss JENA Combine furnish in this regard? How, by using the advantages of socialism, are the potentials of the science institutes, the universities, and of socialist economic integration being exploited and the opportunities inherent in mission-related research being utilized?

[Summary of article by Prof Dr Norbert Langhoff, director of the Center for Scientific Equipment Construction, Academy of Sciences, GDR; Prof Dr Harry Maier, deputy director of the Institute for Science Theory, History and Organization, Academy of Sciences, GDR; and Dr Klaus Meier, associate at the same institute; pp 28-34]

[Text] Research Techniques Striving for Top Positions

While seeking top positions in basic research and the mastery over and swift economic conversion of key technologies, efficient research techniques are becoming increasingly important. Buying them on the world market would mean getting pre-programmed for lagging behind. All the greater are the efforts that are needed to produce modern science equipment ourselves. How can research institutes and combines expand, coordinate, and still more efficiently use their opportunities for it?

[Summary of article by Harry Groschupf, GDR deputy minister for University and Technical School Affairs; pp 35-39. A full translation of this article is published in this report]

[Text] Technical Schools--Centers of Cooperation Between Science and Production

What are the Technika? How do they function as centers for the economic linking of science with production? Examples demonstrate how in the Technika, especially in basic research, the potentials of the universities and of the combines work together, how they contribute to hastening the conversion processes, and how the unity of teaching, research, and practice is brought to realization there.

[Summary of article by Prof Dr Heinz Vosske, head of the central party archives at the SED Central Committee's Marxism-Leninism Institute; pp 40-46]

[Text] Wilhelm Pieck--A Life Devoted to the Working Class and All the People

The name and struggle of this outstanding leader of the German and international workers movement embody the best traditions of the revolutionary German workers movement and the rise of the workers class from a suppressed and exploited class to the one that exercises the power in our country. As a trustee and leader of his class, Wilhelm Pieck's way through six decades of resolute struggle against imperialism and war, and for peace and socialism, led to his becoming the top representative of the GDR, in which that became real for which generations of the best parts of our people had been struggling.

CSO: 2300/164

ECONOMY GERMAN DEMOCRATIC REPUBLIC

LINK BETWEEN RESEARCH, INDUSTRIAL PRODUCTION VIEWED

East Berlin EINHEIT in German Vol 41 No 1, Jan 86 (signed to press 10 Dec 85) pp 12-20

[Article by Prof Dr Helmut Koziolek, member of the SED Central Committee, director of the SED Central Committee's Central Institute for Socialist Economic Management: "Linking Science With Production"]

[Text] Organically linking the scientific-technical revolution with the advantages of socialism, made to stand out in our party program as a characteristic of the developed socialist society, is the principal task of the economic strategy for the 1980's which was issued by the 10th party congress. As in the new phase of implementing this strategy it comes down to making intensification comprehensive and creating stable long-term foundations for it, that precisely makes the linking of the advantages of socialism with the accomplishments of the scientific-technical revolution all the more compelling. The whole mental and material potential has to be mobilized for it and has to be aimed, in particular, at reaching higher efficiency through new technologies and new products. To go on and trim production consumption further in the future through technological progress and the upgrading of production is a decisive prerequisite for increasing net production and net profit as a profit for socialism in a way that is indispensable for carrying on the principal task policy in our country. All phases of the reproduction process and its links--starting from science and technology--are altogether crucial for reaching this necessarily higher end result. It underscores the need to accelerate the whole economic cycle and fashion it along the principle of refining.

Implementing this strategic objective under current and future conditions--as the Central Committee pointed out at its 10th session--calls for a close mutual penetration between science and production[1] and requires and makes possible their economic intertwining to an unprecedented degree.

The need for such close linkage comes from the rapid development of the productive forces, further accelerating at the international scale, with which one has to keep in step to reach the necessary level of labor productivity. That need grows further due to the internationally indicated trend toward a scientific penetration of production. In conformity with these objective requirements, the 10th Central Committee session referred to important key technologies marking the direction and rate of scientific-technical progress and, over long-term, the tendencies of productive forces development. Coping with them determines the scientific-technical and economic level of the economy and broadly affects the entire economic and social development going on in the process of the continued shaping of the developed socialist society.

Combines--The Most Effective Form of Linking Science With Production

The results of our socialist planned economy, given much attention also beyond our national borders, indicate that with the combines in industry, construction, transportation and communications we have all it takes for economically linking science with production. "As our turning to intensification worked so well, the 'secret' of our success was, precisely, due to the fact that in the combines themselves significant science and research potentials exist that are directly linked with the economic cycles in those economic units."[2] While previously science and production in part still ran side-by-side, that was overcome by the formation and further consolidation of the combines.

A high economic responsibility has today been assigned to the combines, which have become the spine of the planned economy in our country, functioning in conformity with the principles of democratic centralism. They can meet that responsibility because their position in the economy allows them to cope through their capacities with complex economic projects. "The key question here is the linking of science and technology with production and, above and beyond that, with sales and the economic revenue achieved."[3]

Comprehensively intensifying the reproduction cycle, from research to sales--that is the task the combines have to cope with to produce most efficiently the most high-grade products that are needed in conformity with the state economic demand satisfaction plan, for supplying the population with consumer goods and for export. For that they have grand mental and material potentials. They make it possible for them to shape their reproduction in a complex and farsighted manner in conformity with the high economic performance and efficiency requirements, and this through close cooperation with their cooperation partners in the economy and their partners in the CEMA countries, particularly in the USSR. Longtime experience has shown that the combines are asserting themselves as the most effective form for linking science with production. That implies for basic research in the academies and university affairs largely to be focused, through the research cooperation, at the requirements for the economic and technical-technological development of the combines. Based on basic research results--brought about precisely by way of the commissioned research financed by the combines--the combines can set the conditions for having scientific-technical top achievements rapidly transformed into production and sales-effective products, procedures, and technologies and for making a good economic use of them.

The basic task in resolutely converting the party's economic strategy as a creative application of the Marxist-Leninist reproduction theory, on the solution of which we should concentrate even more in getting set for the 11th party congress, lies in making the combines' reproduction process so efficient and flexible that a high type of production upgrading is ensured by important economic effects. The decisive chain link, it turns out, has been the linking of science and technology with all the factors of the intensively expanded reproduction in the cycle of the combines. Focusing on this chain link attests to the creative application of the Marxist idea that with the development of large-scale industry the production of real wealth increasingly depends "on the general state of science and the progress in technology, or on the application of this science to production."[4]

Marx, as one knows, through his cyclical theory set the elemental scientific basis for intensification. Doing so, he offered general statements on the effectiveness of the social labor used in the various reproduction phases and their connection, which are exceedingly valuable for socialist economic management activity in our time.

What he said about shortening production and circulation periods therefore warrants our full attention today as, after all, under the aspect of the hurried development of the productive forces, the time reduction in the science-production-sales cycle is gaining ever increasing importance. "The main way to trim production periods lies in increasing the labor productivity,"[5] Marx writes and then, extending his idea, at once arrives at the crucial question, the economic efficacy of science and technology by being linked with the production processes. "The newly discovered procedural methods are reducing at relatively low costs most lengthy processes of the past to a minimum."[6]

Engels likewise repeatedly points to the close link between science and production. While in his introduction to Marx' "Wage Labor and Capital," he called the inventions and discoveries, ever more rapidly substituting for one another, the cause for the "increasing productivity of human labor,"[7] he underscores in a different context that the "intellectual element of an invention belongs among the production elements."[8]

New Measures for Linking Science With Production

If the 10th Central Committee session, looking ahead to the 11th party congress and the years ahead, set the task to the effect that "important innovations are needed that can only be produced by basic research ranging into the far distant future,"[9] that then establishes new criteria for linking science with production.

New dimensions are involved of the economic entwining of the combines' important science and research potentials with those of the Academy institutes, the universities, and the colleges and technical schools, as nearly every other scientist and researcher of the Academy of Sciences and of the colleges--as Comrade Guenter Mittag affirmed at the 12th session of the GDR's People's Chamber--works together with combines through economic contracts.[10] A high economic effect of science and technology and their organic linkage with production compels the unity between the development of new products and procedures, or of technology development, to an unprecedented extent. That implies turning their in-house rationalization means construction into the most up-to-date technological centers. New qualitative requirements arise thereby also for the production organization, from most suitably shaping the product and production profiles via ensuring high flexibility all the way to production continuity.

The linking of science with production does not yet close the cycle, however. The combines' responsibility ranges to the selling of the products, to getting paid for the exports transacted. That can only be coped with if targeted measures are taken already in the production preparation process about entering the markets. Hence, the requirements placed on management organization are also going up: Reducing the cycle demands more object- or product-related management; demands from the outset that the personnel in science and technology, production, sales, and customer service are brought together; that affects the use of lead enterprises and the organization of product team work. New demands are also being placed on modern management machineries, from the traditional ADP systems to closed CAD/CAM solutions and information and communications systems altogether.[11]

Growing Performance Requirements Go Hand in Hand With an Improvement in Working and Living Conditions

For all that, not only the objective reproduction factors are the ones that determine the economic effect of science and technology throughout the total reproduction cycle; rather, human activity, the people's training and skills, their experiences, and their targeted initiatives in socialist competition have as much an impact on the outcome as has the level of management activity.

A crucial preprequisite for a closer linkage between science and production, it turns out, is a high degree of flexibility on the part of the working people, i.e. their willingness and capability for a planned change of labor tasks, of jobs, work collectives, the place of work, and the working hour arrangements. Experiences thus far have shown that the product turnover combined with the introduction of new procedures, modern technologies, and progressive scientific labor solutions makes new demands on the working people's political attitude, technical skill and occupational know-how. All the greater is the sense of responsibility with which in good time all must be done to get set for training that becomes necessary, for combining occupational training with adult education and, if necessary, for introducing scientific labor organization measures. It is party policy to connect resolutely every step in the further implementation of the economic strategy toward comprehensive intensification always closely with improving the working people's working and living conditions. The position taken by the SED Central Committee secretariat on the Spremberg SED Kreis Management report confirms: "Decisive for solving all economic tasks is and remains man with his abilities, interests and needs."[12]

This link between science and production, always oriented to the well-being of man, according to plan, and no by any means on behalf of just one enterprise, one combine, finds its stable basis in our socialist planned economy. That expresses the concrete advantages of socialism compared with capitalist society, where noteworthy results in productive forces development go hand in hand with massive unemployment and hopelessness, especially among youth, a hostility to technology among broad public circles, nourished by anxiety about the future, and other ordinary realities of the working people, branded by profit greed. The more successfully we advance on the basis of the functioning system of our socialist planned economy with our stable and dynamic economic development, the more clearly and powerfully will these advantages take shape.

Which Combine Experiences Are Worth Generalizing?

A basic condition for good results lies in managing and planning the science-production-sales cycle, from target-directed basic research via applied research and development all the way down to its transfer into production by way of a uniform economic objective. That makes possible focusing on the economy as the point of departure and the terminal in scientific-technological work and rapidly translating the economic potentials inherent in the key technologies into economic productivity and efficiency growth. The combines achieve top performances when they open up and make effective basic research results through close research cooperation with science institutions of the Academy and of university affairs. The important scientific-technological results of recent years in lignite refining, in microelectronics and its use, in the construction and assignment of industrial robots, in the development of new procedures in vortex layer technology, surface refining, and the manufacture of new pharmaceuticals would have been unthinkable without the close linkage between science and production.

Such remarkable achievements presuppose that the combines with their significant intellectual and material potentials are in the position to take up themselves and economically utilize the accomplishments of the scientific-technical revolution and bring an active influence to bear on speeding up the scientific-technical processes.

It turns out to be necessary, first of all, that the general directors always meet their high personal responsibility to using the accomplishments of the scientific-technical revolution. It means that they will fully adapt their personal management style and the whole management system to it and manage the economic cycle as a whole, with production preparation, implementation, and realization meshing smoothly.

The general director of the Schwarze Pumpe Gas Combine e.g. made the development of the gas pressure gasification technology his own business and made sure through his dedication that this technology was developed rapidly--gauged against international standards. To him that meant mastering the requirement in substance, finding the most efficient economic solution, organizing research cooperation with institutes in the Academy of Sciences and with GDR universities and a Soviet research institute, opening contacts with the principal cooperation partners, and coordinating in good time the achievements expected of him.

If in the chemical plant construction combine top achievements with a high economic impact were brought off at short shrift and quite as the customers had specified, it was because the general director always had found in that a focal point of his work. Even his refinement conception ensures the economic link between science and production. Proceeding from the economic requirements for performance and efficiency development, it contains tasks for the development and use of key technologies, including the complex application of microelectronics, robot technology, and CAD/CAM technology. This involves tasks in basic and applied research, in the development of new technological procedures and products, and in improving the production level.

For effectively linking science with production it is important for the combines to have far-reaching conceptions for developing their porduction profiles, derived from the state of development of techniques and technology in the field concerned and from the market requirements.[13]

Secondly it is necessary that the capability of one's own scientific-technical potential is constantly heightened, with one's research cooperation included, to keep the economic linkage between science and production in line with the high international rate of production upgrading. The use of CAD/CAM technology, modern automated research techniques, greatly helps accelerate development and design and cut down the expenditure of live labor. In the VEB lathe plant, Leipzig, that way the time needed for design dropped from days to hours; the original goal to save 10,000 hours in designing last year was already reached in July.[14]

Great importance in this connection attaches to the construction and expansion of branch-specific basic research--especially in research-intensive combines. As the experiences have taught in such combines as microelectronics, Schwarze Pumpe, chemical plant construction, the pharmaceutical combine Germed, or the Hermsdorf ceramics plants, they have to make their own contribution to basic research to reach a degree of upgrading for the production of their branch that rates as high even in terms of international standards.

The combines' building up their own capacities turns out to be a condition for effective research coordination, oriented to economic points of view, with Academy and university institutions. In the chemical plant construction combine, in the pharmaceutical combine, and in the EAW Combine Berlin, e.g., especially good results of such research cooperation were achieved by means of the following steps:

--The combine's general director, with the R&D director attending, confers regularly with the responsible managers of the principal cooperation partners--e.g. the department chiefs of the Academy and the rectors and deans for natural science research at the universities and colleges--on the basic research tasks assigned;
--the targets and requirements for the basic research results needed are worked out in close concert;
--the economically justified measures of the refinement conception are--via the tasking workbooks and the annual science and technology plan--turned into annual commissioned research;
--clear deals are made on how the tasks assigned are to be coped with, by way of a division of labor, by the contract partners and the combine's own potential;
--personnel is exchanged between the combine and facilities of the contract partners;
--the combine allocates material and financial means to strengthen the contract partner's research base and set up joint laboratories and technical seminars at the university or college concerned; and
--the combine finances the basic research.

Thirdly, one must develop the products and the procedures and technologies needed for their manufacture in unity. Thereby an optimum utilization of scientific-technical data is obtainable by way of production upgrading.

So one ensures a design of new products that is consistently friendly to technology, rationalization, and automation and is shored up by a procedural and technological development borne by modern key technologies, which can then be implemented by largely using an extant equipment base which, mainly through modernization, becomes ever more efficient.

In the VEB dkk Scharfenstein, e.g., the enterprise director from the outset ensured the cooperation between research, design, and technology. The tasks transcending those sectors are coped with by a development collective made up of specialists of the enterprise together with important partners from outside the enterprise, all this on the basis of a tasking workbook. In the Textima Combine also such a method has proven itself and has seen to it--not last through the research cooperation with institutes in the Karl-Marx-Stadt and the Ilmenau technical colleges--that the unity of product and technology development was ensured.

The decisive chain link in bringing out scientific-technical results is the in-house rationalization means construction. It has become the foremost source, in many combines the decisive source, by which to meet equipment requirements. The expectations placed on it will always be fulfilled when, in its scope as well as in its internal structure, it is aimed at the application of modern technologies. In the air conditioning and refrigeration combine, e.g., it did meet that expectation. More than half of the rationalization means constructed there are equipped with microelectronic freely programmable or computer-based controls. This way the premises were set for an effective production of consumer goods on the most modern technological basis, and considerable economic results were achieved in the reconstruction and modernization of enterprise departments.

Fourth, the point is to combine the scientific-technical work closely with the combines' sales activities and with market research to get a rapid economic use out of the science data. The objectives for research on developing new products in such combines as VEB Carl Zeiss JENA, ship building, and TAKRAF are derived from the long-range market requirements, future customers' needs, and the basic tendencies in scientific-technical development.

When development projects begin in research, the sales sector starts preparing the market. That made a close cooperation between those two sectors necessary. That created conditions where products meet the future customer demands and the market gets prepared for selling products in high numbers through applied research, customer counseling, and sales organization. At the same time, this close cooperation is prerequisite to responding more quickly to specific customer preferences and having the combines exercise an active bid policy.

The Growing Weight of the Subjective Factor

For all intents and purposes, it is the subjective factor that controls the results of the economic linkage between science and production. This, as coping with the demands of the new phase of the party's economic strategy altogether, calls for "the communists' combative positions, a political motivation for a high performance contribution and expert information on the part of the working people and their being drawn into solving the tasks from the outset, coupled with highly skilled management activity."[15]

Reaching the top in crucial areas, ensuring a mighty economic growth through applying high-tech, especially the key technologies, and closely linking science with production call for developing creative restlessness, risk readiness, target-directed thinking and committed action, a fighting spirit and creativeness, so that this also has become a major concern of the political-ideological and the organizational work in the party organizations.

It is of course a complicated process in many ways to thrust into scientific-technical virgin territory, explore what is not yet known, make new data most rapidly economically useful, and reap high rewards. We must resolutely leave behind what is obsolete and strive for pioneering achievements in science and technology. All the more purposefully one must create the kind of working climate in all sectors concerned that is receptive to all innovations and induces every associate to adopt high standards for his own performance and self-critically gauge it, time and time again, against the highest standards. That also is a favorable climate for making the performance principle prevail, which is indispensable for achieving the utmost. Adequate information, comradely competition, and consistent performance rating enhance the working people's motivation and are, moreover, of an importance of principle for confident, creative work and an atmosphere that fosters a dedicated commitment.

Drawing the young generation of scientists through their target-directed assignments in the youth research collectives into research affects this process positively in several respects. They are the ones, after all, who have the most excellent qualifications for meeting the new scientific-technical requirements. They have studied the latest at their universities and colleges, are urging the application of it, are approaching new tasks without prejudice, and wish to meet their practical test in a hurry. In the last 5 years, more than 70,000 graduates from technical and natural science departments have started jobs in the economy. Promoting the abilities and dedication of these young workers and, especially, bringing them to full effect through involvement in youth research collectives is a most responsible task for the general directors and enterprise directors. Those have good results to show for who sign accords with youth research collectives, motivate them to cope with important tasks, appoint prominent scientists as custodians for youth research collectives, assign projects to them that they will handle under their own responsibility, see to it that the composition of the youth research collectives is interdisciplinary, and ensure an effective moral and material incentive for performances fulfilled.

The effectiveness of the intellectual potential largely depends on properly concentrating capacities at the correct proportions, organizing an effective assignment structure for the qualitative labor capacity, and connecting with each other stable and flexible forms of cooperative work between science and production. That ranges from a solid cadre requirement planning to skill-related assignments and rational labor organization all the way to motivating and promoting the creative cadre. Economic culture demands the sort of organization where the knowledge and experience available are used fully and a rapid adaptation to a high rate of production upgrading and to the introduction of key technologies is ensured. High cadre flexibility and their willingness to keep learning are wanted more than ever.

For the educational lead, produced well ahead of time, to become fully effective it is necessary that together with furnishing the knowledge appropriate work attitudes also are shaped and reinforced. High demands are made on the working people's work morale, their discipline, integrity, and initiative, on reliability and a fast reaction capability, and on conscientiousness and a willingness to cooperate. Psychological barriers that may at times exist can more effectively be surmounted by providing target-directed and differentiated training for the technicians, specialists, youths and chiefs, and the assembly and operations collectives.

Positive work attitudes significantly depend on there being given the proper attention to a comprehensive involvement of the working people and the improvement of their working and living conditions according to plan. Experience has shown also as essential for the performance willingness, which greatly depends on political motivation and the insight into economic necessity, however, correlated regulations in taking care of workers' needs, commuting, and medical care in the territory, as it conforms to the needs of the working people. It has been found to be most beneficial if together with new technology progressive changes are brought in as to the character, substance and organization of labor, so that a more high-grade work is required and routine operations, monotony, and one-sided burdens are pushed back.

The close linkage of science and production in the combines implies that precisely this side of the unity of eocnomic and social policies receives constant attention and is effectively applied through comprehensive cooperative efforts among research, project planning, assembly, and users' collectives.

New Demands Made on the Conducting of Competition

The effects of the scientific-technical revolution, which come to prevail through a closer economic linkage between science and procution in the combines, affect fundamental aspects in conducting socialist competition, including the innovator movement. The deeper meshing of the phases of the reproduction process changes the criteria and intensity of cooperation and calls for an increasingly more complex manner of conducting the competition. This also has repercussions on the rate at which standards, performance parameters, and norms, basic as they are to rating competition performance, have to be changed. Precisely the innovator movement is what most vividly expresses the linking of science with production in socialist competition. The increasing penetration of production with scientific-technical progress already indicates today that the innovator movement in socialist competition deserves a new qualitative role. The scientific-technical potential of our economy is put to effect by the circa 200,000 highly skilled cadre working in science and technology directly and the creative work of all the working people, notably the 2 million innovators.

Especially through the innovator movement R&D data are effectively adapted to concrete production conditions. These adaptation processes are increasingly becoming the main field of socialist cooperative efforts as between R&D cadre, specialists, master foremen, and engineers. Innovators furthermore have the tasks to introduce innovator solutions into the existing production technology, make the basic assets more efficient through modernization, and introduce scientific labor organization measures.

The closer linking of science with production thus objectively demands in all fields, on all levels, further to strengthen socialist cooperative efforts, the joint efforts of scientists' collectives in the Academies, the universities and technical schools, the people in R&D, the technologists, the production workers, all the way down to the sales collectives in the combines.

FOOTNOTES

1. Cf. "Zur Vorbereitung des XI. Parteitages der SED. Aus der Rede des Genossen Erich Honecker, 10. Tagung des ZK der SED" [In Getting Set for the 11th SED Congress--From Comrade Erich Honecker's Speech--10th SED Central Committee Session], Dietz publishing house, Berlin, 1985, p 31.

2. Ibid., pp 31-32.

3. Guenter Mittag, "The Meaning of Our Policy: Everything With the People, for the People," NEUES DEUTSCHLAND, 21-22 September 1985, p 5.

4. Karl Marx, "Principles of the Critique of Political Economy," "Werke" [Works], Vol 42, Dietz publishing house, Berlin, 1983, p 600.

5. Karl Marx, "Das Kapital" Vol III, "Werke," Vol 25, Dietz publishing house, Berlin, 1964, p 80.

6. Ibid., p 81.

7. Friedrich Engels, "Introduction [to Karl Marx' 'Wage Labor and Capital,' 1891 edition], "Werke," Vol 6, Dietz publishing house, Berlin, 1959, p 599.

8. Friedrich Engels, "Outlines for a Critique of the National Economy," "Werke," Vol 1, Dietz publishing house, Berlin, 1956, p 509.

9. "Zur Vorbereitung . . .," op. cit., p 32.

10. Cf. Guenter Mittag, "The Principal Task Policy Shapes the Plan and the Manifold Initiatives for the 11th SED Congress," NEUES DEUTSCHLAND, 30 November-1 December 1985, p 6.

11. Comrade Werner Jarowinsky, "Aus dem Bericht des Politbueros an die 11. Tagung des ZK der SED" [From the Politburo Report to the 11th SED Central Committee Session], Dietz publishing house, Berlin, 1985, pp 39-40.

12. NEUES DEUTSCHLAND, 7 November 1985, p 3.

13. Cf. "The Fastest Way to Top Achievements," NEUES DEUTSCHLAND, 23 October 1985.

14. Cf. "Machine Builders, New Ways and the Time Factor," NEUES DEUTSCHLAND, 8 August 1985, p 3.

15. "Zur Vorbereitung . . .," op. cit., p 45.

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INTEGRATION OF COMBINES, RESEARCH INSTITUTES EXAMINED

East Berlin EINHEIT in German Vol 41 No 1, Jan 86 (signed to press 10 Dec 85) pp 21-27

[Article by Prof Dr Wolfgang Biermann, member of the SED Central Committee, general director of the VEB Carl Zeiss JENA Combine: "The Combine's Scientific Potential"]

[Text] In "Das Kapital," Karl Marx says that the productive force of labor is, among others, determined "by the workers' average degree of skill, the developmental level of science and its technological applicability, the social combination of the production process, the scope and effectiveness of the means of production, and by natural circumstances." (Footnote 1) (Karl Marx: "Das Kapital," Vol I, collected works, Vol 23, Dietz Publishing House, Berlin, 1962, p 54) The effectiveness of a combine's science potential stands and falls with the political and technical abilities of the managers to grasp and bring to full effect all these factors involved in the boosting of labor productivity.

"Departmentally" conceived, that could not be done; it calls for a combine strategy that takes into account the dialectics of all the phases in the reproduction process.

The most important and, possibly, also the most complicated task in the struggle for a higher economic effectiveness of science and technology, for a higher labor productivity, in our experience is the effective linkage of the scientific-technical progress with the advantages of the socialist social order. This task, basic, after all, to our party's entire economic strategy, can be mastered only if we as managers are in the position to turn its profound socioeconomic content into the starting point for all strategic considerations and to understand and apply the unity of economic and social policy as a central concern of our party policy.

Target-Oriented Research Organization

A large economic potential is put together in the VEB Carl Zeiss JENA Combine. The most significant potentials in the GDR's precision mechanics and optics industry are brought together in its 22 combine enterprises--two of them research centers, two engineering enterprises for rationalization, and one foreign trade enterprise. Some 23 percent of the work force comes with college or technical school training. Circa 5,000 working people are engaged in R&D directly. Another 400 at Academy and college institutions are working on the combine's research tasks on a contractual basis.

Research is subdivided into:
--explorative research, which aims at uncovering fundamental connections and finding effects and working principles,
--application-oriented basic research, aimed at making effective for the first time and/or combining for the first time new working and labor principles, and
--project-related lead research, preparing new developments and modernizations of products within the framework of product groups.

Our combine has taken care of the growing importance of leads by that in both research centers a technical lead research management was set up. It coordinates the lead projects of the various product groups while it also engages in a product group transcending lead within the chief developmental lines typical of Zeiss. This is the long-term approach to finding and solving tasks.

An ever closer linkage among all components of the upgrading process--from basic research to product development--is an indispensable requirement for reaching top achievements and staying competitive with them on the world market.

At the 10th Central Committee session, Comrade Erich Honecker underscored the extraordinary importance of including the research potential of the Academy of Sciences, universities, colleges, and technical schools in the tasks of the combines. Taking its clues form previous experience, "the Politburo has issued measures for developing economic relations between the industrial combines and the facilities of the Academy of Sciences and of university affairs. All basic conditions will be set up to tackle the tasks of basic research jointly and resolve them through fruitful science cooperation, which will lead us to top achievements in science and technology." (Footnote 2) (Comrade Werner Jarowinsky, "Aus dem Bericht des Politbueros an die 11. Tagung des ZK der SED," Dietz Publishing House, Berlin, 1985, p 48)

The industrial application and economic utilization of their scientific data form a highly essential motivation for the associates in these institutions. We are seeking an effective cooperation that protects all that is specific in our partners. Merely thinking in terms of giving and receiving orders or expectations that are unfulfillable would be as harmful for it as some mutual underestimating. The more intensive research cooperation becomes, the more important is the reseach potential belonging to the combine as, precisely, our own qualifications make for the capability for jointly solving research tasks and make us gain time when taking over results.

The success of this cooperation is based on a business-like approach to solving tasks assigned and on clear, intelligible forms of organization.

Proceeding from our combine's contour trends and relying on the long-term science potential of Academy and university institutions, stable relations have evolved with eight principal partners. With them we take care of circa 90 percent of our entire research cooperation. The largest share in this goes to the Friedrich Schiller University, at some 40 percent.

The cooperation with our principal partners is based on long-term skeleton agreements which set down always for a 5-year period the chief research cooperation fields and arrange for the modalities in this cooperation. The whole thing is carried out through economic contracts on the specific research tasks.

The research cooperation is prepared and accounted for annually, relative to themes, on the basis of mandatory organizational and deadline leads. They range from the preparation of requirements or annual targets by the ones responsible in the combine--as basis for correlating with the cooperation partners--all the way to thematic or year's closing defenses, where the fulfilment of commitments agreed to in the tasking workbooks or annual working plans is accounted for and assessed and the needed rules are set down for continuing the projects or carrying the data over into the combine. That also includes preparing joint correlation proceedings or annual working plans as a basis for the partners' plan elaboration, the correlation of coordinated tasks with their draft plans, the coordination and confirmation of the annual working plans, and the concluding of economic contracts for research tasks agreed upon.

This form of organization assigns equal value to the topics of research cooperation and one's own R&D topics, including them into the controls exercised by and the accounting given to the next higher management. That also makes sure that the trusteeship and the material accomplishments the combine has to allocate are planned and balanced in the sector that has the responsibility for the topics.

The 12 September 1985 Council of Ministers resolution improved the premises for focusing the research potentials of the Academy of Sciences and of university and technical school affairs onto the requirements for the combines' economic and technical-technological development. The combines have the task to help form the basic research targets in the science institutions referred to in such a way that a greater effect will be exercised by them on the future scientific-technical contours of the combines and a fast and effective utilization of data becomes possible. To that end, performance contracts have to be concluded for all research cooperation tasks, and concrete, clearly accountable agreeements have to be made, based on scientific-technical objectives, on the quality of research data. These agreements relate to technical-technological and economic parameters and coefficients of the data in conformity with the purposes for which they are intended, the growth in scientific knowledge, gauged against the advanced international standards of science and technology, the objectives in inventions and the copyright work, and the form of handing data on and their terms of acceptance.

This places a new qualitative demand on the further intensification of the relations and the enhancing of their effectiveness, which can be attained only through substantive work and through guaranteeing high achievements and top results. For that, in particular, one's own strategic scientific-technical work has to be intensified so that on that basis the targets for the lead research can be concretely set down in the partners' science institutions and a fast and economic utilization of the research data is ensured in the combine.

Challenging and Encouraging the Partners' Performance

A realization derived from experiences is that the level of the research cooperation results depends on the capability and commitment of both sides. The material-technical base is of course an extremely important factor there. Concerted efforts, e.g., relative to research laboratories, technical seminars, and equipment have been and are of great mutual benefit. Through setting up joint laboratories one found out how to get into particular techniques, and the data transfer was accelerated. This data transfer acceleration came through target-directed personnel exchange. The achievements it led to were exemplary. Through such direct contacts the scientists experience emphatically how much their scientific-technical achievements are wanted.

Focusing the cooperation with our cooperation partners at high scientific-technical and economic objectives means not only exhausting our own science potential, it also means drawing that of our research partner's into the combine's reproduction process. This must be planned long-term and implemented purposefully. That way alone it is possible to bring about mutual partnership in a comprehensive sense, i.e. to achieve joint conceptual work, the forming of joint research collectives, and the correlating of the science potentials and material-technical opportunities with the solution of the taks for mutual benefit.

Commission-related research on an economic basis opens effective new possibilities because that achieves consistency all the way from basic research to the product and the production technology, makes the end result provide the science institutions with a higher place value, and accomplishes the breakthrough in achieving an economic utilization.

Contractual commitment with financing from the one who gives the order makes possible an accurate influence on what was agreed on and a control over the steps taken toward it which, in case of nonfulfilment may also lead to a cancellation of the funds. That, however, also requires an informed decision on whether an objective ex post facto appears unrealistic or the cooperation partner's "faulty research" led to the nonfulfilment of the agreement. One must always assess as accurately as possible the risk factor of any scientific project and, when it breaks down, not dodge the thing retroactively. Then also, the integration of the commission-related research with the reproduction process calls for a still more responsible handling of accomplishments produced. Much, after all, depends on economic utilization, such as the cooperation partners' getting back their investments.

Dealing responsibly with our partners' science potentials means using them as cautiously as our own while fully protecting their integrity. That already is demanded by the magnitude of what we spend annually for the over 100 topics in committed research. Though we have already committed contractually copious capacities with our cooperation partners, we want to make still more intensive use of the potentials of the Academy of Sciences, the universities, and the colleges and technical schools. The first step toward it is involving prominent scientists in prognostic work so that a suggested cooperation can be vested also in the plans of the science institutions.

A managerial responsibility is to open up and sensibly invest our country's material and intellectual potential in achieving a maximum result through small outlays. The way we cope with that, the way our advances will be toward comprehensive intensification. Ultimately this way we also will help decide what the rank and place of our state will be in the international arena, how weighty the word it speaks among the peoples.

That calls for strategies for which the general director bears special responsibility and which are based on objective criteria in national and international development. That way alone we can make sure that the basic strategic trend resting on economic requirements prevails instead of getting lost in the everyday struggle for plan fulfilment.

The accomplishments of the VEB Carl Zeiss JENA Combine in the last 10 years are unthinkable without the close cooperation with science collectives in the USSR within the scope of socialist economic integration. That holds true especially for the development and production of specialized technological equipment for the microelectronics industry in our two countries.

We are working closely together with science and production facilities in the Soviet Union to supply the economy in our countries, within the framework of the GDR-USSR government agreement on microelectronics, with the most up-to-date specialized technological equipment for the components industry. Through this cooperation we have managed to produce equipment in series which, in the USSR and GDR semiconductor industry, sets the premises for producing and testing highly integrated circuits.

Men's Knowledge, Skills and Abilities Remain Decisive

Our work and cooperation are dedicated to strengthening our state as our most important contribution to securing peace. The further profiling and concentration of our science potential is committed to that goal.

In all high-tech sectors, which increasingly determine our combine's future, we deem it extremely important to structure the work with youth brigades and youth research collectives responsibly and while looking ahead. Frequently, after all, tasks assigned to youth research collectives today will later lead to products that are wanted. In each and every case, however, the question has to be raised and answered conscientiously whether a youth research collective can handle it or not. In our experience youth proves its mettle when taken seriously and finding out the work it does is needed. Quite a lot youth does better and more unconventionally than many an "indispensable" cadre.

The success of those who are working in youth research collectives on developmental assignments today greatly depends on how they from the very start ally themselves with the production collectives that will eventually translate their inventions into material products and highly effective technologies. It is becoming increasingly clear to all of us that only through an ever closer alliance between the working class and the intelligentsia can we cope with all the problems. In the most important and scientifically most demanding fields of our work, particularly in high-tech, changes have already taken place in the structure of the work collectives that we would have regarded as impossible only 10 years ago. Here highly skilled specialists and scientists are working together on three shifts, and each depends on the abilities and experiences of his comrade. In this process, the skintight wrestling with the scientific-technological progress, we see with our own eyes the rapprochement between the working class and the intelligentsia.

The test for this cooperation between workers and researchers is the quality of the transfer of new products and procedures. Whatever gets onto the drawing board must be able to be made well and rationally, too, else the best invention does us no good. That also is, not last, the reason why technological work and the in-house rationalization means construction are so important. To these new conditions we adapted ourselves by setting up our two engineering enterprises for rationalization and the technological sectors in our combine enterprises.

The combine's dynamic development is largely due to microelectronics. By way of the economic structure policy of the GDR and the USSR, microelectronics has become the centerpiece of the long-term joint efforts in high-tech. Especially however, microelectronics or also, e.g. news transmission through light circuits make new demands on men, on all their educational and skill levels.

Training questions in the broadest sense of political and technical training, those of education and training in all the enterprises of the combine, are therefore of a great importance of principle. Preparing ourselves in this regard for the demands of the future calls for
--developing a sufficiently broad number of staff personnel for management functions,
--training highly skilled specialists and socialist research personalities, and
--creating a highly skilled and flexible staff of technicians and a relevant engineering potential.

Being oriented to the future mainly means preparing young workers in good time for managerial functions. An essential source of such a new generation of cadre are young workers who are socially active and are doing good technical work. Development contracts are concluded with them, and they are delegated to industrial institutes, universities and technical schools, and then they get the chance to acquire political qualifications and prove themselves in solving various tasks in different functions. Right now we have a staff of 685 workers. By 1990 we are going to have 800.

Highly skilled specialists and research personalities--this we have experienced more than once--do not develop in one or two years. Here one needs long-term and differentiated procedures. Talents and gifts must be grasped and individually promoted and challenged--and that takes one to two decades.

A cornerstone for our future top cadres is laid in Jena's special Carl Zeiss school in physics. There is a contractual cooperation between that school and the combine through which scientists in our research center assume custodial tasks and jointly work on science problems and through wroking seminars. A high school equivalency then is earned in the end, and important courses of study are contractually agreed to for the VEB Carl Zeiss JENA Combine.

In the vocational school that leads to a high school diploma we have set up special classes for the gifted. One can be quite sure that this is the right way.

In organizing and effectively coping with this educational process, we are learning new things every day. There are some problems in finding the objective selection criteria for apprentices for these promotional classes, in the selection and structure of instruction and teacher training, and in continuing the promotion of the gifted during these studies. Nothing, above all, must be allowed to be haphazard about it.

We also are turning, deliberately, young college cadre showing above-average achievements in the enterprise into science specialists. That amounts to an integration with a most strongly performing science collective and target-directed further political and technical training. We have had fine experiences with creativity training courses in Dessau, cooperating with the ministry for construction industry. There, by means of indentures, methods are conveyed for creatively solving science problems, which methods are then immediately used to solve actual research problems. That form links advanced training with research and is extremely effective. A training team has six to 10 participants, and a specialist in research methodology (e.g. a Distinguished Inventor), a psychologist, and an enterprise specialist are in charge. Six patents and the design for a device to be put out as of 1986 are scientific and economic results of considerable value and came out of the last creativity training course.

But not only our top cadre, be they managers or science specialists, have to be oriented to future requirements. It applies equally to anyone working in our combine now or in the future. In that I include the formation of a solid new generation of technicians who can be assigned flexibly and meet the requirements beyond the year 2000. With more than 2,200 apprentices completing their vocational training annually, that is a highly responsible task. As the training takes 2 to 3 years, we thus always have more than 4,000 apprentices in our seven enterprise schools and engaged in practical work of their trade. Worth mentioning are also the Carl Zeiss engineering school for scientific equipment construction and the Hermann Pistor optometry school from which many of our engineers and all fully trained optometrists graduate. Both training institutions are closely linked with the combine. They are aided by financial and material appropriations--when a new technical laboratory has to be set up, for instance--and by deputizing expert training personnel from the combine. Within the framework of that industrial partnership, these educational institutions are assigned requirements for engineering projects, closing and covering projects, and MMM [Fair of the Masters of Tomorrow] tasks; combine specialists are in charge. The training programs of these technical schools, geared to the combine's requirements, furnish us engineers and optometrists who do not need much time to be broken in so they become fully edfective. Especially the engineering school has adapted itself more and more to the requirements from microelectronics.

Such a high training effort is needed to ensure a production substitution rate of 30 and more percent annually in our combine. Advanced training, be it organized in the labor process or through training facilities, more and more becomes itself a component of labor. That also requires new ideas from management about integrating permanent advanced training in the overall reproduction process.

However, the various education and training measures provide higher efficiency for the whole outfit only if we improve our ability to educate personalities who are willing and able to assume, and apply in their work collectives, political and technical responsibility. The importance of the subjective, human factor keeps growing. A crucial advantage of our social order lies in our ability to exploit it. To do so more and more is what we regard as the most important precondition for further boosting the efficacy of our science potential. In the combine's top achievements as planned our researchers find ambitious proving grounds, to be coped with at the highest quality together with all cooperation partners.

5885
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TECHNICAL INSTITUTES SEEN AS ECONOMIC INTEGRATION KEY

East Berlin EINHEIT in German Vol 41 No 1, Jan 86 (signed to press 10 Dec 85) pp 35-39

[Article by Harry Groschupf, GDR deputy minister for University and Technical School Affairs: "Technical Schools--Centers of Cooperation Between Science and Production"]

[Text] The universities and colleges in our country with their extensive research potentials are also greatly challenged to get to new products, procedures, and technologies through their basic research that ranges into the far distant future. They will meet those demands all the sooner, the more they are propelling the research cooperation, aimed at high effectiveness, with the combines and the Academy of Sciences institutions. That is good for intensification. Wholly in that sense, coordination contracts are now being drawn up between the colleges and combines. A central spot in them is given to research cooperation for the sake of rapid transfer and a profitable economic utilization of research results. The coordination contracts provide a long-term and stable foundation for teaching, research, and continuing education cooperation, for delegating young technicians for studies, and for assigning graduates.

The close economic linkage between science and production is a compelling need as today, after all, the advances in all economic sectors and hence, the further gradual elevation of the material and cultural standard of living, depend on the latest science and technology data to get rapidly mobilized for our economic growth. Especially the key technologies in their complexity and mutual dependency call for more cooperation among all science disciplines involved. They require long-term basic research for the sake of breakthroughs in techniques and technology. Combining the R&D potentials of the industrial combines with the potential of the Academy of Sciences and university affairs gains far-reaching importance with respect to it, as emphatically underscored at the 10th and 11th SED Central Committee sessions.

In natural science and technical research, cooperation aimed at new products and technologies, and thus at application and economic utilization, comes in many forms. Contract research, joint research and application teams, and user communities for highly efficient research technology are part of it as much as consultation and counseling centers or joint transfer collectives. Not last, there are the Technika [technical institutes] at universities and colleges which are lending perceptible impulses to the research cooperation. They are, as it were, a combination of research labs, application, measuring, and testing centers, science workshops, and training labs.

Evolved in the process in which the eighth party congress resolutions are being fulfilled, they have the function, in conformity with the "conception on the long-term development of the Technika at the universities and colleges," which the GDR Council of Ministers passed in October 1982, to raise decisively the colleges' contribution to the development of new products, procedures, and technologies, speed up the process of production substitution, and boost the dissemination rate of innovations. To that end it is necessary to match basic and applied research more effectively with each other and link them more closely with design and project planning, with technological and technical procedural development. A higher maturity rate in application and transfer is wanted in the college research results to speed up the application and economic utilization of the results of scientific efforts.

The concepts developed by the university scholars and the experienced scientists and engineers in the combine on the goals, tasks, and priorities of the work in the university Technika followed the basic 10th party congress guidelines on implementing the party's economic strategy including those for the economic and science cooperation with the Soviet Union and the other CEMA countries. They thereby responded to the identifiable national and international developmental tendencies of scientific-technical progress, the future prospects of key technologies, and the growing role of base innovations with respect to economic growth and social progress.

The highest priority was thus granted to setting up Technika in the key technology fields. At the Karl-Marx-Stadt Technical College one was set up for cycle I in microelectronics, which explores microelectronic base technologies. The first results, in the form of integrated circuits for coronary pacemakers and watches were brought to production maturity relatively fast and put into industrial production. That the way taken was correct is indicated by that there one is currently working on exploring new base technologies and developing a third generation pacemaker. Or take the Dresden Technical University which created an efficient research potential for developing microelectronic assembly techniques. In the last few years, up to 600 scientists, associates and students, mathematicians, electronics specialists, physicists, automation technicians, information specialists, designers of special technological equipment, and other specialists were working in an interdisciplinary manner on automated solutions for the assembly of microelectronic components and construction elements. Through the interdisciplinary effects aimed at that technology here a high application maturity of the qualitatively new technological solutions was reached, and many different applications for microelectronics were opened up. The high scientific progress in microelectronics now demands of the scientists resolutely to face those tasks that result from the accelerated development of highly integrated circuits and demand new assembly technologies.

This example illustrates that the development and application of the key technologies also require the further development and modernization of Technika relating to them. That also includes the bio-technikum in the process of being set up at the Martin Luther University, Halle-Wittenberg. It is expected to exercise a great impact on advances in biotechnology which are making fast headway internationally.

What experiences can be derived from the activity thus far of the scientists, engineers, and students at the Technika in the universities and colleges? What inferences and conclusions can be drawn from it for further developing the cooperation between colleges and the combine in research and production?

Theoretically Demanding Basic Research

In many economically and scientifically important college research projects a much more intensive connection of fundamental basic research with applied research and with the development of new products, procedures, and technologies was obtained. Research results going into production and leading to highly innovative products and decisive advances in technology, yielding great economic benefits when applied, had their starting point in basic research in fundamental questions in natural science, techniques, and technology. High-rank technological solutions as can be worked out in modern Technika can over the long run be attained only when the technical-technological R&D is steadily nourished from the inexhaustible source of fundamental research, by the latest results of science development. The 10th and 11th SED Central Committee sessions made much of this role of basic research and underscored that the basic research contractually agreed on between the combines and colleges, set up long-term, and to a large extent implemented jointly, is of decisive importance for economic growth, industrial efficiency, and the fulfilling of foreign economy tasks.

Longtime basic research done by a scientists collective at the Otto von Guericke Technical College in Magdeburg on flow-mechanical and thermodynamic problems formed the basis for technological solutions and technical problems in the vortex layer technology to be implemented industrially at a large scale. Conspicuous savings in investments, the trimming of energy consumption up to 30 percent in energy-intensive processes, a perceptible increase in the material and raw material output and in the quality properties of the products, as well as remarkable import savings, became possible in the chemical industry, the foodstuffs economy, agriculture, and other economic branches. Basic research in solid state physics at the Karl-Marx-Stadt Technical College led to a broad palette of technological application in producing extremely thin or super-hard layers and facilitated considerable savings in material and new work piece combinations in the tool industry.

Speeding Up the Rate of Transfer

Decisive for the economic and social efficacy of research at the universities and colleges is the rate in which new natural science and technical data are obtained, is their transfer into effective technical and technological solutions, their first introduction to industry, and the economic spread of the innovations. A critical point in the basic research-applied R&D-production

chain has always been the time it takes to transfer novel scientific-technical data to industrial use. Quite a number of college research data were technologically not mature enough, which delayed their industrial application. That ultimately facilitated a moral wear and tear of scientific knowledge and cut into the likely economic benefit. Especially there, in and through the work of the Technika, a considerable change has occurred which keeps getting more and more noticeable.

Just take the Cottbus Engineering College where, through a close interdisciplinary cooperation of project planners, technologists, economists, materials scientists, and mathematicians, a new type of wall skeleton construction was developed, an experimental structure was erected in an exceedingly brief time frame, and then, after only a few months, this new type of construction was put up at an industrial scale in downtown Leipzig. The unusually brief transfer periods, compared on the international scale, also became possible because the technological and design solutions developed at the drawing board, in the lab, and in the computer center of the college could be produced in a near-industrial manner at the "Preproduction Technikum" and tested for their functionality. All essential components for the experimental structure and the first industrial use were made in this Technikum and were made available to the construction in practice. While exploiting these positive experiences in seeking a high application maturity for research results and speeding up the transfer to practical construction, the collective of scientists and students at this college at present is working on the development and testing of a tieless construction method for public and industrial structures.

Having the colleges come out with applicable research results applies particularly to the kind of results of scientific research the use of which throughout the economy facilitates and causes significant innovations. Those are mainly new components and component groups, new working materials, substances and preparations that are decisive for implementing key technologies. At the Karl-Marx-Stadt Technical College, e.g., many new sensors have been developed which are of great importance for automation. Martin Luther University has developed Peltier coolers in microelectronic technologies which are crucial for further research, developments, and applications in the light circuit communications field. These new components must be made available for as broad and fast an application as possible, for continued R&D tasks, and for getting set for industrial manufacture. That also is the reason why the Technika in the universities and colleges have the function of effectively supporting the thereby possible innovation processes by workshop or small-series manufacture. Wherever the cooperation of researchers, potential producers, and future users is started efficiently and in good time, a high speed of transfer of new basic research data and a rapid economic utilization of research data are obtained.

The Unity of Teaching, Research, and Practice

The Technika at the universities and colleges are increasingly turning into places of effective cooperation between science and the practical field, into centers in which the proven principles of the unity of theory and practice, and teaching and research, are brought to realization on a high level. Thus, at the Technikum for High-Speed Rollers in the Freiberg Mining Academy, scientists, engineers, staff members, and students at the college and the Ernst Thaelmann heavy machine construction combine Magdeburg and the VEB quality and high-grade steel works combine Brandenburg are developing highly productive rolling technologies and are perfecting the rolling mill techniques. At the "Microelectronics Technikum" of the Karl-Marx-Stadt Technical College, always about half of the ones working there are members of the college and of the microelectronics combine.

Through this cooperation not only the organic connection between basic research and the requirements for product and technology development becomes much more intensive, there also are developing new forms of socialist cooperative efforts in research and in transferring its data into production. The scientists at the colleges, particularly the new generation of scientists, become more knowledgeable about the concrete development requirements of industry, and the specialists of the combines and their science facilities through this cooperation gain access in a rational way to the new international developmental science data, to important technological advances, and to new research techniques.

The Technika also are gaining importance to organizing scientific-productive studies at our colleges, as the students are early in the game drawn into R&D projects that are scientifically demanding and relevant in practice. Thus already while they are still studying they can make contributions to the implementation of the economic strategy and are they being prepared in a manner that relates to practice for their later assignments as R&D engineers in design or technology or as managers of work collectives.

In many Technika students, within the scope of FDJ initiatives, youth projects, or through youth research collectives, made up of students and the new generation of scientists at colleges and young engineers, technicians, and specialists of the combines, are working on and solving important tasks of the scientific-technical progress.

The Technika have an importance of equal rank as centers for further training for the colleges' own new generation of scientists and specialists from the combines, enterprises, and institutions. A growing number of experienced technologists, designers, economists, and enterprise engineers already got skilled advanced training at these Technika to speed up technological progress, elevate the technological production level, and put science more still into effect.

In the stretch on the road behind us in setting up and using the Technika, our universities and colleges have already had much success in linking science with production and reinforcing the relations between combines and colleges. Decisive for the results achieved, which are to be extended further in a target-directed fashion, were the directional resolutions taken by the party and the government to use the advantages of socialism more still for coping with the scientific-technical revolution. This development received its substantive guidance from the conception on the long-term development of natural science, mathematics, and technical basic research, relying on which state commissions and other tasks in the science and technology state plan asssigned challenging tasks to science to help contribute to the implementation of the economic strategy.

A key to success on this road of development has always been the leadership role of the party organizations in the colleges and combines. Joint party activists groups and their meetings, regular conferences among the party secretaries of the industrial and college facilities involved, as much as the conferences "on the spot" with scientists and associates, have led to the mobilization of all capacities, to fruitful socialist cooperative efforts in setting up and making use of the Technika.

In the months and years ahead we must still more effectively place science and education, as a productive force, at the service to comprehensive intensification, to the economy, and to that end still more effective exploit the considerable potentials of the Technika. This way the members of university affairs, getting set for the 11th SED Congress, are going to link science with production in a new qualitative fashion and facilitate a rapid transfer of research data.

5885
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INCREASE IN MERCHANT SHIPPING TONNAGE REPORTED

East Berlin PRESSE-INFORMATIONEN in German No 151, 30 Dec 85 pp 2-3

[Article by Dr Heinz Rentner, deputy minister for transportation: "Rising Capability of Maritime Ports"]

[Text] Every 3d ton of export and import cargo of our country passes through the three maritime ports of the GDR: Rostock, Wismar, and Stralsund. Some 55 percent of the unique trade between the GDR and the USSR is accomplished via the maritime route.

This volume demands that the capacity of the ports be constantly increased. In 1975, some 15.5 million tons of cargo were moved through the three ports; by 1980, it was already 19.2 million tons; and by 1985, more than 25 million tons. In the VEB Maritime Port of Rostock, goods moving from and to the USSR account for one-third of the cargo turnover. In the 25 years of its existence, this internationally recognized maritime port has permitted around 60,000 vessels under 67 flags to tie up and discharge their cargo and has accounted for loadings of 265 million tons of all types of cargo.

High Commitment of Collectives

The more than 7,000 workers in the harbors of Rostock, Wismar, and Stralsund have contributed with multiple initiatives toward this capacity increase. For example, 390 collectives, numbering more than 4,500 workers, including 127 youth collectives, participated in the maximum output shifts in honor of the 1985 Day of World Peace. The increases in daily capacity of the seaport of Wismar, from 11,800 to 14,000 tons per day, stand out, as does the exceeding of the norm with respect to potash loadings by the youth collective by 887 tons to a total of 5,081 tons in a 12-hour shift. In so doing, the collective experiences have influenced the total work load. Thus, it proved effective to understate the daily work quotas per shift and to identify the best workers immediately after the shift, to recognize their readiness to act as well as to always publicly announce plan fulfillment results.

It was possible to achieve high performance results in cargo turnover through modernization, reconstruction, and expansion of port facilities through the application of modern technology and equipment. During the period following the 10th Party Congress of the SED, a second overseas port of Rostock was virtually constructed. New cargo complexes for grain, fodder crops, fishmeal, and bulk cement, a transloading facility for urea materials were developed during this time period, for example. This expansion also included a mooring facility for deep-draft vessels alongside the bulk cargo queue. At the same time, workers of these ports rebuilt five original moorings specialized with respect to the turnover of import goods through rationalization and supplementing measures, which created capacities for a total of 15 new export lines. New moorings were developed for metal transport. High-capacity cranes and computer equipment facilitated a thorough mechanization which is required for the anticipated annual turnover of 3.5 million tons of metals, consisting primarily of imports from the USSR.

Innovations also exist in the other two maritime ports. In Wismar, an elongated shore-based loading bridge provides facilities for loading bulk potash into two large-scale vessels. An average of 1,000 tons of fertilizer are moved to vessels via conveyors which are many kilometers in length; or the cargo is moved to three new storage sheds. The core of the large-scale facility is formed by an automatic freight car loading facility. Two robots bring a daily total of 190 to 220 special freight cars to the loader, open them, and close them. The potash is transported via bunkers and subterranean conveyors.

At Stralsund, voluminous reconstruction measures have increased the loading of salt to 300 tons per hour. The new ship-loading facility produced for this purpose by the VEB Combine for Maritime Traffic and Port Economy has helped the Transport Branch Rationalization Facility Construction Enterprise attain completely new quality indicators.

Turnover of Large-Scale Container Traffic Tripled

Tremendous efforts are being undertaken to meet the requirements of container traffic, which is developing dynamically both on a national scale as well as on an international scale. The loading of large-scale containers in the maritime port of Rostock has tripled in the past 5 years. In October 1985, it was possible to activate a portion of a modern container terminal at Rostock. Here, a TAKRAF-Portainer--a special hoisting device for loading and unloading ships, is in operation. This is a new symbol and landmark of socialist expansion along the banks of the Warnow River.

The transport of goods using Ro/Ro [roll on/roll off] vessels has taken on increasing significance particularly along the traditional line from Riga to Rostock. Between these two ports, 1984 saw the realization of more than 41 percent of total container traffic and almost 31 percent of the total Ro/Ro service involving the exchange of goods with the Soviet Union realized. Here, trailers--in other words, flatbed trailers which are loaded with containers or piece goods--are rolled onto the ship and rolled off at their port of destination. This substantially cuts transloading times.

Since 1984, a new form of production management has been used to speed up the dispatch of vessels in the port of Rostock. In order to manage the transport, transloading, and warehousing processes in a better manner, a computer system is used to manage all capacities available for goods and vessel dispatch more precisely. A resulting dispatcher program is constantly controlled by the operations center and brought up-to-date. This port throughput "port balance" involving goods, ships, and inland waterway transport facilities has proven itself in practice.

The port railroad station of the Rostock overseas harbor is one of the largest classification yards in the GDR with its 220 km of track. Its throughput capacity is decisive for the smooth transportation of cargoes. Some 90 percent of the cargo is handled by rail. With the connection of the overseas port to the electrified railroad line between Berlin and Rostock, the possibilities for rapid goods turnover are increased. However, this requires a still closer cooperation between the port and the railroad system.

The seaports are faced with significant tasks in 1986 with a projected capacity increase of 5.6 percent. In first place, this involves the supplemental mobilization of performance readiness on the part of our workers and their cooperation partners. Additional emphasis will be placed on the better utilization and introduction of modern technology and equipment involved in goods turnover. Shorter turnaround time for ships, merchandise and land transport facilities are the desirable goals.

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ECONOMY GERMAN DEMOCRATIC REPUBLIC

PROBLEMS ENCOUNTERED IN RAILWAY FREIGHT TRAFFIC MANAGEMENT

West Berlin FS-ANALYSEN in German No 3, 1985 (signed to press Sept 1985) pp 5-84

[Analysis by Rosemarie Schneider, Research Office for All-German Economic and Social Questions: "Railway Freight Traffic--Realization of Objectives after the 10th SED Party Congress"]

Railroad Freight Traffic--Realization of Objectives After the 10th SED Party Congress

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RAILWAY FREIGHT TRAFFIC--REALIZATION OF OBJECTIVES AFTER THE TENTH SED PARTY CONGRESS

Summary

Domestic freight transport, seen with regard to energy conservation, received particular attention at the beginning of the 1980's. This was due to the GDR economic leadership's intensification program, which desired a more intensive utilization of existing production factors in achieving its economic goals. The resulting objectives for the transport system were twofold: structural measures, and a rigorous restriction of the users' demand for differentiated forms of transport. The most important measure regarding freight carrier structure was the transfer of freight transport from road to rail traffic and a reduction in works transport capacities. As road transport had been by far the more favored of the two until then, the railway system did not possess all that was necessary to take over a large share of transport commitments. Electrification (with a corresponding increase in electrotraction), greater use of branch lines, and container transport could only partly create the necesary conditions for this takeover. Nevertheless, the railway system did indeed improve its performance with the same production factors and without fundamental qualitative changes. The development of road freight transport declined, especially transport carried out by the enterprises' own fleets. The planned alterations in traffic structure were mainly carried out by means of administrative measures, affecting both transport agents and users. Transport agents are being increasingly restricted to tasks involving purely haulage; service apart from this come up against technical, technological and capacity barriers.

A reduction in the amount of transport during the period under investigation (until 1985) was achieved by means of management measures in transport planning, optimization, and the almost total restriction of the enterprises' own capacities. The restriction of demand to a "socially acknowledged degree" is having a detrimental effect on the independence and flexibility--and also increasingly the interests of the enterprises and facilities which use the transport system. Limitations on both capacity and fuel quotas, inadequate technical and technological levels of transfer and warehousing processes, as well as a lack of packaging material, are causing problems which can only be solved in a partial and temporary fashion. Permanent solutions, which are efficient for both the individual sector and the economy as a whole, still have to prove their value. The success of the approximately 22-percent saving in energy in the transport sector must therefore be evaluated in the light of the above shortcomings.

I. Intensification in Domestic Freight Traffic--The Principal Direction for Intensification in the Transport System of the GDR

1. Intensification in Transportation--Its Necessity for the Economy as a Whole

If economic intensification is generally understood to be an increase in productivity resulting from the effective use of the factors of production, intensification in the transportation industry means an increase in productivity with the available factors of production, taking into consideration an optimal economic relationship between the branches of transportation. Intensification, in the communist understanding of the word, is basically required when objective limits are placed on the expansion of the mechanism of productivity.

One set of crucially important considerations for the process of intensification that was to be initiated in the transport system were the economic conditions resulting from the altered energy situation. Equally important were the constantly rising transport requirements of those sectors of the economy using the transport system.

The catalyst for the strategy of intensification in the transport system was the growing cost of raw materials and energy on world markets which started in 1980. The GDR was confronted by increased expenditures for the import of almost all raw materials, but in particular of liquid sources of energy, which led to a rethinking in the transport system of the GDR. As a branch of the economy, transport requires about 15 percent of the total energy used in the GDR, or two-thirds of all the diesel fuel for transportation processes in the transport system and works traffic. (Footnote 1) (Otto Arndt: "The Tasks of the Transport System 1981 to 1985," in: DDR-VERKEHR No 6, 1981, East Berlin, p. 187.) The goal of all the intensification measures introduced in the transport sector of the GDR was to effect a marked reduction in this consumption.

An additional reason for analyzing the performance of all the carriers from an energy-economic perspective was that until 1980 the demand for transportation by the enterprises and institutions using the transport system had shown an unusually sharp increase (see Table 1).

Comparisons between the FRG and the GDR of the development of freight traffic point up this negative development. With 65 tons/person in 1979, the GDR had a clearly higher volume of transportation for all carriers (excluding shipping and air traffic) than the FRG (with 41.5 tons).

The excessive demand can also be seen in the comparison of transportation productivity for the same period, with 5,000 ton/km per person in the GDR and 4,200 ton/km in the FRG. Similar tendencies emerge if economic performance indicators, for example, a comparable gross national product, are used as a basis. In 1979 the situation was less favorable for the GDR, with 5.2 tons, or 397.2 ton/km per M 1,000, compared with the FRG with 3.3 tons, or 333.2 ton/km per DM 1000, both in volume of transportation and transportation productivity. (Footnote 2) (Rainer Hopf: "GDR Freight Traffic Returns to the Rails" DIW WOCHENBERICHT No 8, 1981, West Berlin, p. 84).

Table 1. Development of Freight Traffic Overall in 1960, 1965, 1970, 1975, 1980

Year	Freight Transported 1,000 Tons	1960 = 100	Freight Transport Productivity	1960 = 100
1960	522,148	100	50,637	100
1965	628,460	120.4	78,597	155.2
1970	764,015	146.3	128,008	252.8
1975	935,108	179.1	152,742	301.6
1980	1,111,881	212.9	155,294	306.7

Source: Statistical Yearbook of the GDR, 1984, p. 213

This fact is not unknown to the economic functionaries in the GDR. It has been formulated as follows to justify their transportation strategy: "As studies in the GDR and all comparable countries showed, we are transporting--relative to the entire social product or the number of inhabitants and/or those gainfully employed--both too much and over too great distances, and the necessary reduction of specific economic transport requirements is proceeding at too slow a pace, which is not in accordance with the factors of intensification." (Footnote 3) (Werner Gross, Hermann Wagener: "Transportation in Intensively Expanded Production," in: WISSENSCHAFTLICHE ZEITSCHRIFT DER HOCHSCHULE FUER VERKEHRSWESEN 'FRIEDRICH LIST'," Dresden, No 3, 1983, p 283. See also, "Interview with the Director of the Central Research Institute of GDR Transport, Dr Werner Lindner," in: DDR-VERKEHR No 12, 1984, p. 354)

The unsatisfactory development of productivity in the transport system is determined by the following factors, which at the same time constitute the conditions for intensification of transportation in the GDR:

1. The development of the GDR's economy until now has been characterized by constant quantitative growth, with increasing material intensity. An increasing amount of freight to be hauled and a rise in transport productivity are the consequences, and this is the reason for the continuous rise in the demand of those using the system for transportation services.

2. Growing manufacturing productivity as the result of organizational measures such as cooperation, combination, specialization and concentration, can lead to larger amounts to be carried and to a disproportionate expansion of the need for transportation. Until 1980, using the criterion of "extending the division of labor," cooperative relationships developed without regard for distance, the means of transportation available or that could be expected, their location or the links that existed with the network of the enterprise dispatching or receiving the freight, all in all, without any express consideration of transportation requirements.

   One of the consequences was a rapid increase in estimated productivity, but this ignored considerations of efficiency for the economy as a whole. GDR experts now regard this development critically, since perspectives have changed on the economy of transportation.

"Our premise must be that the growth of production in our economy in past years took place on the basis of a division of labor between the enterprises that was being constantly extended, a division of labor which, under present conditions, most certainly does not reflect the best relationship between outlay and result in every case." (Footnote 4) (Gerhard Wunderlich: "Economically Efficient Development of Freight Transportation and the Tasks for Research in Transport Economy in the GDR," in: "DDR-VERKEHR No 3, 1984, p. 69)

3. For the enterprises and combines of the GDR's economy, meeting production indicators stood and, to some extent, still stands at the center of their economic activity. Demands for efficiency were of secondary importance. How else was it possible for inflated transportation costs to be accepted for years without having undesirable consequences or negative economic effects on the enterprises? Those using the transportation system were not forced, either as a result of administrative measures or for economic reasons, to reduce this part of their manufacturing consumption--expenditures for transportation.

4. Decisions of the kind that lead to structural changes in the GDR's economy also bring about increased need for transportation. Among them are:

   a. Measures for the "conversion of energy resources," i.e. the substitution of brown coal for petroleum.

   The GDR's decision to increase brown coal production compared to 1980 by 50 million tons to 310 million tons in 1985 (Footnote 5) (Horst Wambutt: "New Requirements for Producing and Refining Raw Materials for Energy," in: EINHEIT, No 8, 1985, East Berlin, p. 721) will place additional heavy demands on the GDR's transportation system, the extent of which, including the problems associated with starting open-cast mines (rerouting lines, the construction of new sidings, roads, etc.) cannot yet be estimated. (Footnote 6) (see Gernot Schneider: "Qualitative Growth of the GDR Economy," in: "DEUTSCHLAND ARCHIV, No 4, 1985, p. 381)

   The following example shows the extent of the additional load being placed on the transportation system as a result of resorting increasingly to coal:

   " . . . the poor caloric value of brown coal and its low density make moving it uneconomical, compared with petroleum. For example, to transport an amount of energy of 10^9 kcal in the form of brown coal, which weighs about 500 tons, 10 freight cars are needed. For the comparable amount of energy based on petroleum, about 100 tons, or just 2 freight cars are needed." (Footnote 7) (Ibid.)

   Supplying the economy with brown coal as an energy source is an absolute priority for the GDR's transportation system. But new tasks in transportation and haulage are not the only ones to result from the increased mining of coal, changes in the territorial structure and intervention in the transport networks.

" Mining coal with the aid of extensive open-cast mines will lead to substantial intervention in the regional structure and to its partial reshaping. That applies to all regional partial structures, such as production structure, housing structure, the infrastructure for transportation and the structure of regional resources. This creates procedures and relationships which are interlinked in a very complex way in time and space, requiring carefully planning by the territory and all affected branches and areas." (Footnote 8) (Fritz Kabus: "General Transport Planning in the Cottbus Coal and Energy Bezirk," in: DDR-VERKEHR No 4, 1984, p. 108)

For example, in the Cottbus coal and energy Bezirk--the most important center for the mining, processing and refining of brown coal and the generation of electrical energy in the GDR--the

"start up of the confirmed mining conservation areas just until the year 2000 [will require] the devastation of about 70 km of railroad line and about 250 km of public highway. There are plans for the construction of 75 km of new line and rerouting 125 km of line." (Footnote 9) (Ibid.)

Even with strict observance of the state-imposed requirement that the necessary investment for replacing these routes be kept as low as possible, it will use a part of the amount available for investment without showing any tangible increase in productivity for the GDR's transportation system.

b. The commencement of railroad ferry operation between the Baltic ports of Mukran (Ruegen) and Klaipeda, formerly Memel (USSR), starting in October 1986.

With this decision, which is of strategic importance and which partially frees railroad freight traffic between the GDR and the Soviet Union from transit through Poland, a decisive shift of the flow of freight within the GDR from the previous east-west direction to north-south is being initiated. The investment costs associated with it are considerable. In future, all products destined for transport by rail freight to the Soviet Union will have to cover a greater average distance on the territory of the GDR, because Mukran is located in the extreme north of the GDR. The same holds true for return traffic. It is of particular importance that the ferry ports can only be reached by way of the Ruegendamm, which is already severely overloaded. Daily operation will show whether the prior decision to dispense with the expansion of the Ruegendamm can be justified. The responsible planners are hoping to match the increased load on the rail network in the north-south direction by increased flow due to the electrification of this section. In the long run, laying a third and even a fourth track to improve flow in the north-south direction will most likely prove to be unavoidable.

5. Until the beginning of the 1980's the efforts of the transportation system were welcomed as growth in economic production. In the face of all the principles of economy, growing productivity in transport was accepted,

ignoring the fact that it is part of the users' production consumption and contributes to reducing profits.

"According to rough calculations, the economy of the GDR is spending more than M 14 billion annually just for domestic freight haulage by the branches of transportation and works traffic. That is in the magnitude of expenditures by the producing sectors for consumption of electricity. If one considers that haulage rates, as a basis for profits, do not reflect the true cost of transportation and that expenditures for the transportation infrastructure, which are financed from the national budget, essentially also represent transportation costs, an even higher economic expenditure for freight transport between enterprises can be anticipated (as a rough estimate about M 16 to 17 billion)." (Footnote 10) (Hermann Wagener and Guenther Heinrich: "Freight Transport in the Economy and Ways to Reduce it," in: "DDR-VERKEHR, No 6, 1980, p. 192)

Minister for Transportation Otto Arndt reaches the same results in calculating the expenditure for domestic freight haulage at about 5 percent of the production consumption of the entire economy (M 17 billion) (Footnote 11) (see Otto Arndt: "Tasks for the Transportation System of the GDR from 1981 to 1985," in: DDR-VERKEHR No 6, 1981, p. 185)

6. In order to be able to make a more precise judgment about the growth of productivity in the transportation system, the processes that have taken place in the individual carriers must be analyzed more closely.

As Tables 2 and 3 show, over-the-road freight traffic showed a sharp increase until 1980, both in the volume of traffic and in performance, compared with other carriers, while the share of the railway declined.

The shift in the structure of goods in the direction of expensive, high-quality goods, which are especially suited to transportation by road, the locally inadequate range of services offered by the GDR's railway, from the standpoint of both quantity and quality, and transportation policy objectives were the reasons for the increase in road freight traffic. (Footnote 12) (see Section II)

The following statement underlines the priorities in tranportation policy until 1980:

"The tendency for the railroad's share in the total work of transportation to drop, while haulage continues to increase, agrees with general development trends in socialist countries; it results from the increasing concentration of the heavy flow of goods on efficient main lines, from the reduction in the number of access points to the rail network, from the surrender to road traffic of jobs that were economically impractical for the railroad and from the rapid growth of road transportation in recent years. This trend was deliberately supported by socialist transportation policy in the interests of improving the efficiency of the transportation system." (Footnote 13) (Authors' collective: "Economy of Transportation," Vol 1, East Berlin, 1979, p. 121)

Table 2. Growth of Freight Transportation Volume in the GDR from 1960 to 1980 in Millions of Tons

Type of Traffic	1960	1970	1975	1979	1980	1981	1982	1983	1984
Railroad	237.8	262.9	289.0	302.5	311.6	315.2	322.6	325.6	337.4
Road Freight	270.3	463.6	588.2	730.2	729.8	692.7	607.6	584.2	560.7
Inland Shipping	12.6	13.7	14.6	14.8	16.3	16.6	16.8	17.5	18.7
Maritime Shipping	1.4	8.5	11.2	12.1	12.6	12.5	11.0	11.9	12.8
Pipelines	-	15.4	32.1	40.9	41.6	39.5	38.8	37.2	(37.3)*
Total	522.1	764.1	933.1	1,100.5	1,111.9	1,076.5	996.8	976.4	966.9
Carriers' Share in Percent									
Railroad	45.5	34.4	30.9	27.5	28.0	29.3	32.4	33.3	34.9
Road Freight	51.8	60.7	62.9	66.4	65.6	64.3	60.9	59.8	58.0
Inland Shipping	2.4	1.8	1.6	1.3	1.5	1.5	1.7	1.8	1.9
Maritime Shipping	0.3	1.1	1.2	1.1	1.1	1.2	1.1	1.2	1.3
Pipelines	-	2.0	3.4	3.7	3.8	3.7	3.9	3.9	(3.9)*

* Calculated as a difference
Source: Statistical Yearbook of the GDR 1984, p. 213; Statistical Almanac of the GDR, 1985, p. 86

Table 3. Growth of Freight Transportation Performance of the GDR from 1960 to 1984 in Millions of Ton/Kilometers (excluding Sea Traffic)

Types of Traffic	1960								
Railroad	32,860	41,513	49,681	54,375	56,395	55,767	54,016	54,884	56,654
Road Freight	5,002	12,233	16,691	21,567	21,021	19,920	16,236	15,378	14,491
Inland Shipping	2,252	2,358	2,362	1,933	2,159	2,359	2,290	2,424	2,642
Pipelines [2]	5	2,183	4,314	4,991	5,069	4,825	4,754	4,372	(4,348)[1]
Total	40,119	58,287	73,048	82,866	84,644	82,871	77,296	77,058	78,135
				Carriers' Share in Percent					
Railroad	81.9	71.2	68.0	65.6	66.6	67.3	69.9	71.2	72.5
Road Freight	12.5	21.0	22.9	26.0	24.8	24.1	21.0	20.0	18.6
Inland Shipping	5.6	4.1	3.2	2.3	2.6	2.8	2.9	3.1	3.4
Pipelines	-	3.7	5.9	6.1	6.0	5.8	6.2	5.7	(5.5)[1]

1. Calculated as a difference
2. Including air traffic

Source: Statistical Yearbook of the GDR 1984, p.213; Statistical Almanac of the GDR, 1985, p. 86.

The merits of this way of operating were still being extolled in 1979, and working according to a plan and proportionality were being stressed in the transportation system.

"Under socialist conditions the entire economy grows according to plan and in proportion. . . . This has substantial effects on the need for transport, limiting it to the economically necessary amount, its planned growth as well as satisfying this need efficiently by means of the method of transportation that is most suitable in each case." (Footnote 14) (Ibid. p 221)

A short time later this deliberate introduction of proportionality and working according to a plan proved to be in need of revision, causing noticeable restructuring in the transportation system.

7. Previous investment policy represents another important condition for the structural changes in the transportation system of the GDR. (Footnote 15) (See Johannes F. Tismer: "Economic Policy Strategy for Intensification in Inland Freight Traffic in the GDR in the 1980's," FS ANALYSE No 5, 1982, p. 18). Analysis of investment activity appears to be particularly important because the capital equipment of the transportation branches is of special importance for the program of intensification. In view of the fact that documented investment includes that for the postal and telecommunications system, Table 4 documents a decline in the transportation system's share in the economy's and/or industry's total investments.

The part that went to equipment, that is to say, the actual provision of the means of transportation, formed the bulk of the investments. The part for construction, renovation or new construction of tracks and track equipment or roads, was limited on average to one-quarter of the total amount. The intention was to achieve a rapid noticeable increase in performance in the transportation system as a whole by concentrating the available funds in vehicles and facilities for freight handling, circuit breakers and telecommunications. The inadequate share of the transportation system in the total amount of investments made as well as the structure of those investments, that is, their distribution across the individual carriers and/or institutions, had a deliterious effect on both the scope and the level of the performance of the transportation system. (Footnote 15) (See Authors' collective, op. cit., Vol 2, p 65 ff) These drawbacks are aggravted under the conditions that are placed on the individual carriers by intensification. Greater demands on the railroad, for example, required greater productive efficiency from the rail network, the rolling stock, warehousing and handling equipment as well as from the marshalling facilities, which were oriented toward the increased demands, and maintenance and repair capacities.

Table 4. Development of Transportation System Investments (including Post and Telecommunications)

Year	Volume of Investment Transportation, Post and Telecommunications Millions of M Comparable Prices (Base 1980)	Percentage Share of Volume of Investment by the Economy	Amount for Construction as a Percentage	Amount for Equipment as a Percentage	Percentage Share of of Volume of Investment by Industry
1960	1.883	10.5	34.9	56.9	22.1
1970	3,174	8.7	18.1	78.3	17.4
1979	4,876	9.0	17.9	77.2	17.3
1980	4,606	8.5	24.3	68.9	15.7
1981	4,834	8.6	21.0	73.3	16.0
1982	3,899	7.3	27.4	64.5	13.1
1983	3,798	7.2	26.0	66.8	12.2
1984	4,004	7.9	-	-	14.0

Sources: Statistical Yearbook of the GDR 1984, p 103, 104
Statistical Almanac of the GDR 1985, p 31

2. Objective of Intensification of Transportation

The objective of intensification of transportation--as part of the overall strategy for intensification--was set forth at the 10th SED Party Congress. (Footnote 16) (See Directives of the 10th SED Party Congress on the 5-Year Plan for the Development of the Economy of the GDR from 1981 to 1985, East Berlin, 1981, pp 24-25) The tasks were established concretely as follows in the law on the 5-year plan from 1981 to 1985:

"To reduce social costs in the economy, as well as for energy-economic reasons, the specific expenditures for transportation of all branches of the economy must be systematically lowered by optimizing delivery and haulage relations. In order to meet freight haulage figures in domestic transportation from the point of view of energy economy, scientific and technological research must centrate on introducing energy-conserving technologies and comprehensive mechanization.

By consistently shifting road freight haulage to the railroad and expanding transportation of bulk cargoes on inland shipping, the division of labor among the carriers is to be made more efficient. In order to increase the productivity of the railroad between 700 and 750 kms of line must be electrified and more efficient technologies must be introduced, which can make more efficient use of the existing rolling stock and driving units and of the installations . . ." (Footnote 16) (GBl [Legal Gazette] DER DDR, Part 1, 1981, No 35, 9 December 1981, p 83)

Two major complexes of tasks can be read out of this statement, which are intended to make a major contribution towards reducing the demand for energy resources in general, but for liquid energy sources in particular.

First: Structural Changes within the Transportation System of the GDR

This complex of measures contains the new arrangement for dividing work among the branches of transportation based on considerations of energy economy.

The arrangement includes:

Shifting freight transportation from the road to the railroad, that is to say, the railroad and inland shipping will assume a greater share of domestic freight transportation and road haulage will be reduced. Some of the plans to implement this structural step are extensive utilization of the railroad's existing network and technical installations, priority electrification of lines, changing the form of traction used, optimal use of means of transportation, increasing the share of combined transport and the use of existing and/or construction of new branch lines.

Reducing the amount of road freight haulage performed by works traffic. The anticipated structural effect is that public transportation will perform a far larger part of the haulage now assigned to trucks.

The point of departure and energy-economic justification for restructuring the transportation system is the fact that the average consumption of diesel fuel of the carriers per million ton/kms is 45 tons for factory traffic, 37 tons for public vehicular traffic, 13 tons for the railroad and 7 tons for inland shipping. (Footnote 17) (Survey of indicators: "Calculations on the Effectiveness of Measures to Reduce Transportation Costs," Building Academy of the GDR, Institute for Technology and Mechanization--Central Office for Optimization of Transportation in Construction, Berlin, 1983. Cited in: Manfred Moltrecht and Armin Schroer: "A Technical Optimal Evaluation of Production Problems--Transportation--Optimizing with Alternative Carriers," in: DDR-VERKEHR, No 2, 1985, p 45) From the point of view of energy, transport by rail and inland shipping is about three times superior to that by road. The possibility of finding a replacement for the individual carriers under certain conditions is the presupposition for the rearrangement of the division of labor among the individual carriers. One of the primary conditions for replacing road haulage with the railroad and inland shipping is an adequate level of performance by these agents, or the willingness to introduce measures that can bring about a clear improvement in their performance. In this context, the electrification of 750 kms of line by May 1985 can only be a measure designed to create the appropriate conditions for a more extensive transfer of freight, although the largest portion of investment funds for the transportation system were used in the last 5-year plan period for this purpose and, as far as one can tell, will be used for the same purpose in the next 5-year plan period. (Footnote 18) (See "The 1000th Kilometer of Electrified Line by the 10th Party Congress," in: NEUES DEUTSCHLAND, 3 June 1985, p 3)

Second: Reducing the Tranportation Demands of the Enterprises and Institutions Using the Transportation System

This objective is being realized by means of a rigorous program of conservation. The deputy minister for transportation of the GDR describes this avenue of intensification of transportation, keeping in mind the problem of replacement, as follows:

"Likewise our efforts are based on the clear recognition that only conservation will help in the long term, that in the interest of our continued economic development maximum conservation of energy, of oil derivatives in particular, can only be achieved by reducing transportation performance, because the requisite measures for energy substitution and reduction of specific consumption cannot be implemented in a timely fashion and on the broad scale that is needed. This finding is undisputed." (Footnote 19) (Dieter Woestenfeld: "Transportation and Energy," in: DDR-VERKEHR, No 12, 1982, p 401)

In the economic practice of the GDR this means reducing the demand for transportation to the "socially" necessary amount or distributing the availability of transportation on a restricted basis among those entitled to allocations by volume, time and structure. By projecting norms and indicators for transport planning, by the mandatory introduction of optimization in transportation and restriction of factory traffic, those using the transportation system are being deprived of the opportunity of requesting transportation performance at a level that meets their requirements. In this sense, intensification of transportation means reducing the range of available transportation in domestic freight traffic. We will examine the problems that arise for those using the transportation system in greater detail below. (Footnote 20) (See Section IV) Basically, for the period from 1980 to 1984, the end result is that intensification goes along with reduction or is partially equated with it.

The two sets of problems in intensification of transportation can be defined more closely in the following objectives (Footnote 21) (See Otto Arndt: "The Tasks of Transportation from 1981 to 1985," in: DDR-VERKEHR, No 6, 1981, p 187 and H. Scholz: "Performance-Related Development of Production Consumption, Tendencies in its Development and the Tasks Awaiting State Guidance," in: DDR-VERKEHR, No 6, 1981, p 198):

--Reduction of specific expenditures for transportation by about 20 percent, which is the equivalent of 30 billion ton/kms
--Reduction of specific energy consumption by 35 petaJoules. That is the equivalent of 6.5 million tons of unrefined brown coal
--Saving 35 million work hours annually in order to ensure the necessary increase in labor productivity of 3 percent annually
--Reducing specific material consumption by 3 to 4 percent annually, the equivalent of a reduction in production consumption of at least M 250 million each year
--Improving the quality and safety of transportation, handling, construction and maintenance processes and the working and living conditions of those gainfully employed
--Increasing freight transportation performance in domestic traffic to 107 percent, with a further dynamic growth in the volume of industrial goods production
--Shifting 15 million tons of freight from vehicular traffic to the railroad to save 400,000 tons of diesel fuel
--Implementing a growth in tranportation performance with a 25-percent reducion in diesel fuel consumption and 22 percent less heating oil
--Reduction of specific energy consumption:
on the railroad by 28 percent
in maritime shipping by 13 percent
in freight traffic by 16.6 percent and
in inland shipping by 8 percent.

II. Priority Area for Intensification Railroad Freight Traffic

1. Specific Tasks and Unique Features of Railroad Freight Traffic

The rail network of the Deutsche Reichsbahn (DR) on GDR territory is 14,226 kms long, (see Table 5) only about half as long as that of the FRG, but has a higher density, 131 kms/1,000 km^2 compared to 115 kms/1,000 km^2 for the FRG and, compared with other European countries, it can be described as tight-knit. (Footnote 22) (Rainer Hopf: " GDR Freight Traffic Returns to the Rail," in: DIW WOCHENBERICHT, No 8, 1981, p 83) and strategic importance of the branch lines. Since 1965 a total of about 1,400 branch lines have been closed, that is about 25 percent." (Footnote 46) (Erwin Kramer: "Die Entwicklung des Verkehrwesens in der DDR" [The Development of the GDR's Transportation System], East Berlin, 1978, p 171)

By concentrating freight handling at the junction stations for freight car loading, these stations assumed a part of the tasks of the branch lines. In 1979 there were 4,800 branch lines, 3,300 of them main lines and 1,500 secondary lines.

In the last 4 years a total of 280 new branch lines have been put in service, including closed down lines which were reopened and renovated. This gives the DR currently 4,607 branch lines, the longest of which is that at the Leuna works at 300 km. (Footnote 47) (See NEUES DEUTSCHLAND 4 June 1985, p 2)

The branch lines are used heavily in open face brown coal mining as pit branch lines, by chemical enterprises (e.g. the Schwedt Petrochemical Combine), enterprises in the construction industry (cement factories and enterprises in the construction materials industry), the ports of Rostock, Wismar and Magdeburg, and by enterprises in metallurgy, ore mining and agriculture. In the future an increasing number of smaller enterprises producing various types of goods are to use or share the branch line network as part of the shift of transportation to the railroad. There are plans to increase the number of access points to the rail network by renovation of existing points or by building new ones. (Footnote 48) (See Order Concerning the Construction and Operation of Branch Lines of 13 May 1985 in

However, precedence is presently being given to working the existing access points at optimal capacity. In order to open up the opportunity of rail transport to enterprises that do not have a branch line at their disposal, the track and handling capacities of the branch lines of several enterprises in one area are being used jointly. The amount of goods to be transported is increased, and it is possible to make full use of the branch lines' capacity and handling equipment. The use of modern, productive technologies for freight handling and train dispatching makes economic sense as a result. But it must not be overlooked that new construction, renovation and the maintenance of branch lines creates high expenditures for material and personnel.

There are a number of drawbacks for the co-users of branch lines, the many smaller and medium-size enterprises that have a small volume of freight, but are now dependent on rail transport by way of these ancillary lines. (Footnote 49) (In 1982 a total of 62 branch lines were newly put in service, 252 enterprises became co-users; in 1983 77 branch lines started operations, 251 additional enterprises became co-users. See Werner Schmidt, op. cit. p 324) For lack of assigned capacity for road transportation, they have to move goods by rail that are less or not at all suitable for it. The growth of the amount of interrupted transport, increases in turnaround time, growing damage to goods, making workers available for loading and unloading around the clock and higher administration costs are just some of the problems that are creating a burden on the users in the economy.

Table 5. Length of Lines Belonging to the Deutsche Reichsbahn

	Length in Kilometers						
	1960	1970	1980	1981	1982	1983	1984
Railroad lines	16,174	14,658	14,248	14,233	14,231	14,226	14,226
Main lines	7,362	7,365	7,621	7,639	7,638	7,634	7,651
Secondary lines	8,812	7,293	6,627	6,594	6,593	6,592	6,575
Standard gauge	14,866	14,100	13,952	13,935	13,936	13,933	13,941
Electrified	708	1,357	1,695	1,808	1,930	2,096	2,321

Sources: Statistical Yearbook of the GDR 1984, p 212; Statistical Almanac of the GDR 1985, p 85.

A comparison of volume for the year 1983 shows that the DR generates a higher volume of transportation in railroad freight traffic, with 325 million tons of freight, compared with 310 millions tons in the FRG. (Footnote 23) (In 1979 the following figures were achieved: DR 303 million tons of freight, DB [Deutsche Bundesbahn] 371 million tons. Ibid.)

If the respective transportation performances are compared, the same trend emerges. In 1983 the DB achieved 57 billion ton/km, and the DR just under 55 billion ton/km. (Footnote 24) (Statistical Yearbook for the FRG 1984, p 228 [in the case of the numbers for the FRG, those for 1983 are provisional data]) With these figures as well, the comparison with 1979 shows that the development of the railroad's performance in the FRG was retrograde, because at that time 68 billion ton/km were counted, while in the GDR, as the result of the transportation industry's efforts to reduce average transportation distances, the same result was achieved as in 1983. This level of performance by the DR is the more notable, because the railroad of the FRG, including the pertinent communications network, has a higher level of technology available, about 40 percent of the railroad lines are electrified (GDR, 16.3 in 1984) (Footnote 25) (See Table 5) and about 43 percent of all the DB's lines have multiple tracks (Footnote 26) (Statistical Yearbook for the FRG 1984, p 289), while only about 24 percent of the DR's lines have multiple tracks.

The different development of freight carrying performance for the railroads in the two German states is an expression of different transport policies. In addition to the free choice of the means of transport, part of a market economy is the efficient development of individual carriers, which meets the differentiated requirements of the users for transportation. (Footnote 28) (See Ulrich Klimke: "Transport Policy in the Field of Relations between the FRG and the GDR," in: ZEITSCHRIFT FUER VERKEHRSWISSENSCHAFT, No 1/2, Duesseldorf, p 59) A market economy has mechanisms at its disposal that made an "administrative" allocation of carriers superfluous. As in most highly industrialized countries, the change in the structure of goods led to an increase in road freight traffic and a decline in railroad transport in the FRG as well. In 1990, it is estimated that 75 percent of the total volume of freight will be moved by road. (Footnote 29) (See Peter Luensdorf: "Predicted Development of Freight Traffic in the FRG until the year 2000," in:

DIW WOCHENBERICHT No 22, 1982, pp 279-284. See "Wirtschaftlicher Strukturwandel und Verkehr" [Changes in Economic Structure and Transport], Beitraege aus dem Institut fuer Verkehrswissenschaft an der Universitaet Muenster, Vol 89, 1979, p 106) This corresponds to the economic development by which the share of bulk goods declines and that of high-grade products increases. The latter place special demands on transportation, so they are particularly suitable for transport by road.

As part of its intensification program, the GDR can exploit all the specific advantages that are available, without any doubt, to the railroad for its transport policy, but but it will also be forced to accepts the drawbacks of this carrier, or search for opportunities to minimize or eliminate them.

Unique Features of Railroad Transport:

The form of energy used can, in the case of the railroad, be best suited to the particular energy situation of a country. The use of domestic raw brown coal for the production of energy, in the case of switching traction to electrical energy, makes the railroad a "cheap" carrier for the GDR's economy, and one that is independent of imported sources of energy. A primary precondition for this is the use of locomotives having a range of power and performance. The GDR can satisfy this requirement to a small degree at present. The locomotives available for heavy hauling tasks have to be used everywhere, so that the desired conservation is not fully achieved.

Railroad transportation is especially suitable for carrying bulk freight over long distances. Except for coal and products of the construction materials industry, whose share of the total amount carried is currently about 50 percent, the GDR, like all highly developed industrial nations, is showing signs of a structural change in its manufacturing sectors. The share of high-value goods, goods from the chemical industry, the glass-, wood- and plastics-processing industries will tend to grow. With the implementation of the strategy for more refining in production, which is to be increasingly called for during the next 5-year plan, demands on transport quality will increase considerably. On the other hand, more refining will mean a reduction in material intensity, with a consequent reduction in transportation needs. The consequence of the structural change in manufacturing sectors is the production of goods which have varying transportation requirements and, for the most part, have a specific affinity for road transport. It will be difficult, if not impossible, for the railroad, as a carrier, to achieve the quality of transport that comes close to meeting these requirements from the point of view of express transportation and different handling requirements. The mutual dependence and tight interlocking within the industry of the GDR, as well as the relationships between the enterprises that follows the principles of balance projection (i.e. state allocation), viewed over the long term, can turn the absolute commitment to railroad transportation into an obstacle to the development of the entire economy.

The railroad can only exploit its performance potential fully if the flow of transport or freight is concentrated. To achieve this, the freight loads must be composed in such a way that non-stop trains can be made up.(Footnote 30)

(A through train assembled by the consignor or the collecting station, which travels directly, i.e. without being handled in a marshalling yard en route to the recipient or the distributing station. Freight cars moved in full trains are switched 2.2 fewer times at marshalling yards, saving 10 to 15 hours.) Only if full trains are assembled, can the energy-economic advantages of the railroad make their full effects felt. Efforts are currently under way to raise the share of full trains on the DR to 62 percent, in order to relieve the seriously overloaded marshalling yards. (Footnote 31) (See FAHRT FREI, East Berlin, No 4, 1985) But assembling full trains is not without its problems, both for the railroad and for the users in the economy. One requirement is the collection of freight so that full trains can be made up. This requires sidings and/or branch lines, as well as adequate loading and unloading capacity and handling equipment. The latter requires precise agreements on deadlines between the offices involved in the transport. Consideration must also be given to fluctuations in the volume of traffic, that is to say, it must be possible to have some influence on the assembly of the trains from an operational standpoint. (Footnote 32) (See "Handbuch Eisenbahn," East Berlin, 1970, Vol 1, p 505) For hauling bulk freight, such as fuel or construction material, full trains are proving to be a good opportunity for transporting freight more rationally. For other types of freight, however, they mean extending the time of transportation, i.e. limited availability. The increased load on marshalling yard capacity associated with assembling the trains signifies a bottleneck for the GDR, because the DR's sidings have already reached the limit of their capacity, in other words, the system is inadequate for managing the constantly increasing amount of freight. These difficulties are to be overcome by turning freight cars around more rapidly and by minimizing the times a car is switched. In addition, the expansion of the system as well as its reconstruction are urgent necessities.

The specific technological conditions of rail transport (the railroad has its own traffic network, and transport processes can be carried out simultaneously, sequentially or in conjunction with one another) and the economic necessity of making maximum use of the available high capital assets, bring about 24-hour utilization of the railroad's facilities, by the users in the economy as well. (Footnote 33) (In 1984 the inventory of transportation, the postal service and telecommunications made up 13.4 percent of the total inventory of the economy's capital assets. Source: Statistical Almanach of the GDR, 1985 p 32) Freight transport in particular can take place to an unlimited extent during the nighttime hours. This requires continuous loading and unloading of freight trains by the users in the economy. Planning the demand for and the supply of transportation assumes a continuous 7-day utilization of the means of transport. (Footnote 34) (See Part III) In practice this proves to be not unproblematic for the carriers as well as for the enterprises. Setting up a permanent standby duty staff when the enterprise is not operating, increasing the size of the transportation departments, paying bonuses for weekend and night work, using production workers for unloading jobs, these are just a few of the effects of increased rail transport. In addition, due to the railroad's shortage of vehicle capacity of its own, substantial problems result from coordinating with public transportation. This requires constant, almost hourly coordination between the participants and does not allow any change in plan. For the railroad too, the constant state of readiness needed means a considerable overload. The productivity of the enterprises is becoming increasingly dependent on the quality achieved in transportation, in the broadest sense. The railroad must, in the final analysis, meet these growing tasks with the same technical and technological means as before, if one ignores a possible growth in performance as a result of electrification. Continuous "around-the-clock" operation makes necessary repairs and required inspection, maintenance and service of its plant difficult. Within the foreseeable future, the railroad may well reach the limits of its performance.

(a) Electrification of the Railroad

Electrification of the railroad, which has been carried out more intensively since 1980, represents a serious move towards intensification of the transportation system in the GDR. The intente of electrification is to increase performance and achieve the projected energy economic goals. The electrification program is the DR's most important rationalization project in the current 5-year plan and it is the precondition for the planned change from diesel traction to electric traction. The intention is to catch up on what has basically been completed in both western and eastern [European] countries. (Footnote 34) (See Rainer Hopf, op. cit., p 89)

If one looks at the GDR within the community of the CEMA countries, it can be seen that the GDR is still among the "developing nations" with respect to electrification of the railroad. Steps to electrify the railroad began in all socialist states in the early 1960's (see Table 6) and were completed without serious interruptions. They reached a level that is comparable to western countries.

Although it is currently making great efforts in this area, the DR, with 16.3 percent of the total lenght of its railroad lines electrified in 1984, still clearly needs to catch up.

What reasons were there for this "belated reconsideration" of electrification, considering that until 1960 the GDR agreed with the other socialist countries about the advantages of this possible change in traction from what was then largely steam to electric traction. (Footnote 35) (See Werner Gumpel, "Das Verkehrswesen Osteuropas" [The Transportation System of Eastern Europe], Cologne, 1967, p 95) It was not until the early 1960's that the GDR departed from its original strategy of electrifying the railroad network. (Footnote 36) (In 1960 the percentage share of power for trains in 1970 was forecast as follows: steam, 50 percent; diesel, 10 percent; electric operation, 40 percent. The actual ratio was: steam 42.3 percent; diesel, 41.5 percent and 16.2 electric operation. Sources: G. Schilling and G. Tischer, "Energetic" [Energistics] East Berlin, 1960, p 295; Statistical Yearbook of the GDR, 1984, p 215) The clear favoring of diesel traction made electrification superfluous.

The reasons were as follows: with the construction of the Schwedt crude oil processing plant and later on of the Leuna II enterprise, together with the long-term agreement on crude oil shipments from the Soviet Union, the necessary capacity was available to produce the diesel fuel which was needed for the change from steam to diesel. The tendency to give preference to diesel

Table 6. Length of the Rail Lines in CEMA States and Proportion of Electrified Railroad Routes 1979 and 1983

States	Length of the Railroad Network in Kms		Of This Total: Length of The Electrified Railroad Lines in Kms		Of This Total: Proportion of Electrified Railroad Lines in the Total Length of Rail Lines in Percent	
	1979	1983	1979	1983	1979	1983
Bulgaria	4,341	4,278	1.449	1,994	33	47
USSR	141,125	143,630	42,442	46,826	30	33
Poland	27.271	27.139	6,687	7.828	25	32 1
CSSR	13,142	13,141	2,989	3.221	23	25
Romania	11,113	11,115	2.202	2,868	20	26
Hungarv	8,039	7,869	1.488	1,807	19	23
GDR 2	14. 164	14.226	1,621	2,096	11	15

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1 A correct calculation gives 28 percent

2 Including the electrified route network of the GDR's major combines' works lines, with a length of 392 kms

Sources: Statistical Yearbook of the Member Nations of CEMA, published bv the Secretariat of CEMA, Moscow (in Russian), 1979, pp 311-312; 1980, pp 275-276; 1984, p 239 was given additional support by the fact that in the early 1970's the Soviet Union was in a position to supply the GDR with diesel locomotives for heavy freight transportation. In addition, the GDR saw an opportunity to take the strain off its tightly stretched electrical energy balance and to make energy, which at that time was generated almost exclusively in coal-fired power stations, more available to industry. Production of electricity from nuclear power did not play a role until 1970. (Footnote 37) (Besides brown coal, with 82,6 percent, nuclear power had a 10.7 percent share of energy production in the GDR in 1983. See Statistical Yearbook of the GDR 1985, p 56)

An additional compelling reason for the turn away from electrification could be found in the fact that those responsible for it were hoping that they could avoid spending the money needed for investing in electrification and the not inconsiderable maintenance costs.

Investement is needed for the construction of substations (i.e. facilities to convert and distribute electricity to the overhead lines), for long-distance lines, overhead lines and feed lines, including the masts and foundations, also for overhead line commissions, circuit breaker and telecommunications facilities and for the necessary repair capacity in the railroad repair yards (RAW). Because of the desired increase in speed, rebuilding of the way (i.e. the railroad substructure, with the roadbed, ties and rails) is usually necessary.

By concentrating all available investment capital on equipment, this necessary evil was avoided, and an immediate and noticeable increase in performance was achieved without the delay which would have been associated with electrification.

Finally, the decision to go with diesel traction meant that the long-term necessity of electrifying secondary and branch lines could be avoided. Electrification means a restriction on the mobility of the driving unit because it is tied to the overhead network or the conductor rail. The diesel locomotive compensates for this shortcoming, because it can be employed equally on main lines, on secondary lines and on branch lines and is thus more versatile than the electric locomotive, which requires special operating conditions. It must also be taken into consideration that the present decision to electrify only the main lines assumes the use of a different type of traction for secondary and branch lines. The advantages of electric propulsion can only be fully effective on heavily traveled routes.

The decision made in the early 1960's in favor of diesel traction and thereby to neglect electrification was implemented with very few exceptions unti 1 1980. If one looks at the rate of electrification by 5-year plan segments, 349 km were electrified between 1960 and 1965, about 300 km between 1965 and 1970, only 97 km between 1970 and 1975, but 241 km from 1975 to 1980. (Footnote 38) (Statistical Yearbook of the GDR 1981, p 200. See Hansjoerg Buck: "Priorities in Rationalization in the GDR's Transportation System until 1985," DEUTSCHLAND ARCHIV, No 5, 1981, p 496)

The reversal in thinking since the 10th Party Congress and the turn away from principles that had been practiced until then in the GDR's transportation policy once more initiated electrification of the most important means of domestic freight transportation, the railroad, but now with a 20-year delay. As a result, it was now possible to undertake a change in the method of traction (see Table 7). The number of electric locomotives in railroad freight transportation has risen from 20 percent in 1980 to about 32 percent in 1984. The advantages of operating electric trains, greater pulling power and performance, faster acceleration, longer operating life and lower energy consumption when compared with diesel traction, are urgently needed and are being used to meet the increased flow of goods. The fact, too, that the flow capacity of the routes usually increases with electrification can have a positive effect on the performance of the railroad as a transportation agency.

Table 7. Share of Different Types of Traction in Freight and Passenger Traffic on the Railroad 1950-1984 in Percent

Year	Share of the Types of Traction		
	Electric	Diesel Locomotives	Steam
1950	0.7		99.3
1960	4.9	0.7	94.4
1970	16.2	41.5	42.3
1975	16.4	62.5	21.1
1980	19.9	71.8	8.3
1981	22.1	72.3	5.6
1982	25.8	70.2	4.0
1983	28.4	67.9	3.7
1984	32.3	63.7	4.0

Source: Statistical Yearbook of the GDR 1984, p 215; Statistical Yearbook of the GDR 1985, p 88.

The electrification program, which is being carried out in the GDR under the slogan "Ride and Build" as a "youth project," has supplied the through line from the Baltic (Rostock) to the southern industrial areas and as far as the border with the CSSR (Bad Schandau) with "traction current." Without changing locomotives, or any other stops necessitated by operating equipment, and without increasing speed substantially, travel time can be reduced considerably by the use of electric locomotives. Eight of the 14 Bezirk cities in the GDR can be reached on electric trains, so they are linked with one another.

Completion of the planned second major north-south link (besides Rostock to Bad Schandau and Decin in the CSSR) from the industrial area around Magdeburg to Rostock by way of Schwerin will be left for the next 5-year plan 1986-1990, as will the electrification of the cross-link between Rosslau (Elbe) and Wittenberg. (Footnote 39) (See Peter Jochen Winters: "The Target is the 1000th Kilometer," FRANKFURTER ALLGEMEINE ZEITUNG, 3 July 1985 p 10)

Minister for Transportation Otto Arndt described the stage of completion already attained at the 10th SED Central Committe Party Congress in these words: "Electrification of our railroad lines forms the nucleus of an increase in productivity. The speed of implementation of the Politbuero's decrees was raised substantially, so that the target of the directive of the 10th Party Congress was surpassed by about 200 km." (Footnote 40) (Otto Arndt: "Modern Equipment Increases Efficiency in the Transportation System," in: NEUES DEUTSCHLAND, 22-23 June 1985, p 13)

According to its own figures, industry in the GDR is capable by itself of meeting the demand for the electric locomotives that will be required for the change in traction. The VEB Hans Beimler Locomotive Building and Electrical Equipment Combine, Hennigsdorf is providing a 250-series 6-axle locomotive and its successor, the 243-series, for domestic needs. It meets a variety of performance requirements, particularly since there are no plans to increase the average speed of train travel as a result of electrification. The DR has introduced what is referred to as a recommended energy-conserving speed. It is designed to find the optimal relationship between the energy used and the amount of worf performed. It does not exploit the performance capabilities of the locomotives the maximum. The associated changes in travel time (frequently long travel times) are to be compensated for by corresponding driving techniques, i.e. rapid acceleration and extended coastdown. The increased use of microelectronics, i.e. the use of onboard computers, computer-aided central dispatching offices and microcomputers in the signal towers, is supposed to favor energy-conserving driving and, at the same time, make it possible to control vehicle deployment in order to rationalize the management of operations. (Footnote 41) (See Press Information from the Leipzig Spring Fair 1985--"Nachrichtentechnik" [Information Technology] 1985, p 5. Karl-Heinz Burghardt: "Changes in the Organization of Management in the Transportation Industry as the Result of Using Modern Management Techniques," in: DDR-VERKEHR, No 3, 1985, p 82)

Currently the entire transportation system of the GDR has 1,500 microcomputers at its disposal, which are used in dispatching processes for passenger travel, in traffic facilities, vehicles and robot systems. Plans for the next few years are for computer-aided technologies to form the nucleus of intensification processes in all areas of transportation. (Foonote 42) (See Otto Arndt: "The Transportation Policy of the GDR," in: DDR-VERKEHR, No 10, 1984, p 291) The implementation of this goal is proving to be all the more pressing for transportation in the GDR because the previous level of transmitting and processing all the information needed for the movment, warehousing and handling of freight is inadequate. Smooth conmmunications between the point of origin and the destination, between all those involved in moving goods is of fundamental importance for intensification of transportation. The existing information system is particularly inadequate at junctions in the transportation process. (Footnote 43) (Junctions, or intersections--a point in the traffic network at which the lines of one or several branches of transportation cross or join up with each other. They are of special importance for changes in the means of transportation used. See "Lexikon Eisenbahn" [Railroad Dictionary], East Berlin, 1971, p 718)

Transportation and information have always belonged together and still belong together, and to neglect this causal relationship--for whatever reason--means wasting time and material. As a result, even the planned partial solutions will have only a limited success. The use of modern computing equipment is a basic precondition for a new distribution of tasks in the transport sector. Having to rectify what has been neglected means that certain fundamental associations have been ignored or not identified.

(b) Branch Lines (Footnote 44)

(Branch lines: "Nonpublic railroad, or one with limited public access, which is directly connected to the public transportation rail network . . . . Freight cars are moved by way of branch stations between the public transportation rail network and the loading and unloading docks of the one served by the branch line . . . ." "Lexikon Eisenbahn, p 48)

Transport customers have direct access to the DR's public rail system by way of branch lines. Branch lines are part of the DR's transport system, in 1983 they handled 88 percent of the loading and 77 percent of the unloading (Footnote 45) (Werner Schmidt: "Branch Lines--Part of the Unified Socialist Transportation System," in: DDR-VERKEHR, No 11, 1984, p 324) The increased use of existing branch lines and the reopening of those already closed is another important component in transport intensification. Only in this way will it be possible to implement the strategy of a sweeping shift in freight from road to rail and to contribute to reducing the economy's overall expenditures for freight transport. The advantages of branch lines, which have been the subject of renewed intense interest since the early 1980's, is that they make it possible to transport freight directly from the recipient to the sender [sic], that is, immediate handling between rail vehicles and the enterprise's internal means of transportation.

Until the commencement of the new transportation strategy, various criteria for efficiency, for example, an adequately high volume of transport and the workload associated with it, the location and the state of repair of the branch lines, whether they were equipped with adequate freight handling equipment, the labor force requirements and its management, these criteria and the properties of the different types of freight that made them suitable or unsuitable for the railroad were regarded as decisive in the closure, renovation or construction of branch lines. The "railroad wave" brought a new way of looking at things in its wake. Until then, the number of direct access points for the enterprises to the railroad network was reduced drastically, particularly because of the small volume of goods to be moved by this carrier. Small enterprises that did not meet the listed criteria were particularly hard hit. In 1978 this development was characterized as follows:

"The closure of unprofitable branch lines played a major part in the concentration of rail freight traffic. About 80 percent of all freight handled went to branch lines. But on every second one the volume of freight cars was less than 3 per day. Only 13 percent of the total volume was handled at two-thirds of the stations. Freight handling performance was only one criterion for deciding that a line should be closed. Other criteria were the economic and

and strategic importance of the branch lines. Since 1965 a total of about 1,400 branch lines have been closed, that is to say, about 25 percent." (Footnote 46) (Erwin Kramer: "Die Entwicklungssystem des Verkehrswesens in der DDR" [The Development of the GDR's Transportation System], East Berlin, 1978, p 171)

By concentrating freight handling at the junction stations for freight car loading, these stations assumed some of the tasks of the branch lines. In 1979 there were 4,800 branch lines, 3,300 of them main branch lines and 1,500 secondary branch lines.

In the last 4 years a total of 280 new branch lines have been put in service, including closed down lines which were reopened and renovated. This give the DR 4,607 branch lines at the present time, the longest of which is that at the Leuna works, 300 km in length. (Footnote 47) (See NEUES DEUTSCHLAND 4 June 1985, p 2)

The branch lines are used heavily in open-face brown coal mining as pit branch lines, by chemical enterprises (e.g. the Schwedt Petrochemical Combine), enterprises in the construction industry (cement factories and enterprises in the construction materials industry), the ports of Rostock, Wismar and Magdeburg, and by enterprises in metallurgy, ore mining and agriculture. In the future a growing number of smaller enterprises producing various types of goods are to use or share the branch line network, as part of the transfer of transportation to the railroad. There are plans to increase the number of access points to the rail network by renovating existing points or by building new ones. (Footnote 48) (See Order Concerning the Construction and Operation of Branch Lines of 13 May 1982 in SDr.[not further identified] Legal Gazette No 1080 of 31 December 1982, p 57)

However, precedence is presently being given to working the existing access points at optimal capacity. In order to open up the opporunity for rail transport to enterprises that do not have a branch line available, the track and handling capacities of the branch lines of several enterprises in one area are being used jointly. The volume of goods to be transported is increased, and it is possible to make full use of the branch lines' capacity and handling equipment . The use of modern, productive technologies for freight handling and train dispatching makes economic sense as a result. But it must not be overlooked that new construction, renovation and the maintenance of branch lines creates high expenditures for materiel and personnel.

There are a number of drawbacks for the co-users of branch lines, the many smaller and medium-size enterprises that have a small volume of freight, but which are now dependent on rail transport by way of these ancillary lines. (Footnote 49) (In 1982 a total of 62 new branch lines were put in service, 252 enterprises became co-users; in 1983 77 branch started operations, 251 additional enterprises became co-users. See Werner Schmidt, op. cit., p 324) For lack of assigned capacity for road transportation, they have to move goods by rail that are less, or not at all, suitable for it. The growth of the amount of broken transport, increases in turnaround time, more damage to goods, making workers available for loading and unloading around the clock and higher administrative costs are just some of the problems that are creating a burden on the users in the economy.

For the railroad dealing with the growing volume of freight transport by way of branch lines is similarly linked with higher demands. Increasingly freed from service tasks, which it would have to assume more broadly under a system that divides work within the transportation industry, it is restricting itself exclusively to shipping tasks. (Footnote 50) (Service tasks include offering customers complex solutions to problems in transport equipment and organization, for example, a direct house-to-house transport system, keeping to "guaranteed" shipping times, and also informational services as a contribution to improved control of customers' goods movements (vehicle information and preregistration system) These tasks include improved performance in taking freight cars to and fetching them from the branch lines, but also the assembly, movement and dispersal of trains. Considering the fact that at present only 10 percent of the shipping time is spent on the actual transport process and 90 percent on switching cars, marshalling and at a standstill, the ratio will very probably become even worse. (Footnote 51) (WIRTSCHAFTLICHER STRUKTURWANDEL UND VERKEHR, Goettingen, 89, 1979, p 223) The operational tasks of the railroad are growing with the increasing delivery of goods by way of branch lines. It has to guarantee an optimal operating cycle, improve the turnaround time for its freight cars (in 1984 it was 3.86 days), make more efficient use of its trains, guarantee punctual delivery and monitor customers' compliance with the planned transport sphere. (Footnote 52) (For this socalled customer accounts are being set up, which, tallied daily by hand, give the DR a running check on the utilization of the transport sphere by days. It is based on the quarterly report of the customer's transport needs. Conditions still do not exist to permit the use of electronic data processing. See FAHRT FREI, East Berlin, No 10/11, 1984)

These are tasks that are not just associated with the increased use of branch lines, but affect rail transport as a whole. As the number of customers making heavier use of branch lines and placing varied demands on this form of transportation increases, these tasks will grow considerably. Maintaining transport quality, i.e. the guarantee of undamaged freight, punctuality and shipping to the intended destination deserves greater attention. The same holds true for cooperation with vehicular traffic and transportation customers at the liaison offices in the transport chain. By offering improved services, for example, by expanding express freight and mixed freight traffic, the DR intends to make rail transport more attractive to its customers. In order to transport extremely urgent freight more quickly, a freight collection service was established, with about 160 connections. The goods are transported in through trains more quickly between the dispatch, reception and supply centers. (Footnote 53) (See Heinz Krueger: "Services Offered by the DR," in: DDR-VERKEHR, No 11, 1984, p 322)

2. Division of Work Between the Railroad and Vehicular Traffic

The GDR's road system comprises about 120,000 km, about 60 percent of which is made up of municipal roads. In the south the density is above average, in the north fewer roads serve the area. In 1979 road freight transport accounted for approximately 67 percent of the total volume of transportation and 26 percent of total productivity in transportation was accounted for by over-the-road freight traffic. Those were the conditions preceding the intensification of transportation, whose measures are directed particularly at reducing road transport, which is costly in terms of fuel. By the end of 1984 this had been reduced to 58 percent and about 19 percent respectively (see Tables 2 and 3).

If one looks at the amount transported, the major part of road freight transport accrues to factory traffic. As Table 8 shows, it amounted to about 77 percent of total road transportation in 1979. With about 75 percent in 1984, it has not been possible to reduce its share substantially, but the total amount of freight carried by road was reduced during this period by approximately 23 percent.

The sharp increase in freight transport by road until 1979, particularly with vehicles belonging to the enterprises, can be attributed to the following: the transportation policy of the GDR until the beginning of the 1980's assumed that, as far as the division of work between the carriers is concerned, "the increase of the share of vehicular traffic in transportation performance matches a trend which has emerged in the majority of European countries. In the GDR many transportation assignments have been shifted to vehicular traffic in order to relieve the railroad." (Footnote 54) (Authors' collective, "Reproduktion und Verkehr" [Manufacturing and Transportation], East Berlin, 1982, p 159)

Table 8. Growth of Road Freight Traffic in the GDR for the Years 1960, 1970, 1979 and 1980 to 1984

Year	Road Traffic Total in Mill. Tons	Volume Shipped Public Road Traffic		Factory Traffic	
		Mill. Tons	Percent	Mill. Tons	Percent
1960	270.4	131.5	48.6	138.9	51.4
1970	463.6	180.0	38.8	283.6	61.2
1979	730.3	166.6	22.8	563.7	77.2
1980	729.8	166.9	22.9	562.9	77.1
1981	692.7	162.9	23.5	529.8	76.5
1982	607.5	147.5	24.3	460.0	75.7
1983	584.1	141.7	24.3	442.4	75.7
1984	560.7	138.2	24.6	422.5	75.4
		Transport Performance in Bill.Ton/Km			
1960	5.0	2.6	52.0	2.4	48.0
1970	12.2	6.2	50.8	6.0	49.2
1979	21.6	9.7	44.9	11.9	55.1
1980	21.0	9.7	46.2	11.3	53.8
1981	19.9	9.4	47.2	10.5	52.8
1982	16.2	7.6	46.9	8.6	53.1
;983	15.4	7.3	47.4	8.1	52.6
1984	14.5	7.0	48.3	7.5	51.7

Sources: Statistical Yearbook of the GDR 1984, p 213
Statistical Almanach of the GDR 1985, p 86

In 1979 the growth tendency for road traffic was set out as follows: "Absolute growth in transport volume and transport performance with further concentration on opening up new areas, resulting in cooperation with the railroad, shipping and air traffic." (Footnote 55) ("Economy of Transportation, p 123)

This clear favoring of road freight transport accorded with the efforts of users in the economy to exploit the advantages of vehicular traffic. One of its effects is to open up new areas, other advantages are a tighter traffic system, the ability to adapt in the face of structural changes in demand, the possibilities of direct, uninterrupted transportation, autonomous transportation processes, i.e. independently of other carriers or subsystems and in greater flexibility. But the fact that road freight transport is regulated by technological plans less than the railroad, for example, and the ability to adapt to the characteristics of the freight with regard to their transportation needs is there to a greater degree through the use of different vehicles has caused customers to give preference to movement by road. (Footnote 56) (Technological plans--Binding rules for the practical flow of sub-processes in the rail system necessary for carrying out transportation processes. See "Lexikon der Eisenbahn," (p 272)

The structural change by sector, already mentioned, which increased the share of products that are particularly dependent on vehicular transportation because they require a specific method of handling, pushed the division of work between the carriers in the direction of road transport.

The inadequate quality, in the broadest sense, of the performance of the railroad and inland shipping as carriers is closely allied with this shift.

The ready availability of vehicles, which results from the enterprises having their own internal motor pool in order to compensate for breakdowns in materials delivery or in the transportation of their finished product, and the relative independence from planned and assigned tranport capacity from "central office," makes having an independent motor pool as part of factory transport a given for conducting any business in enterprises in centrally administered economic systems.

What cannot be left out of consideration is that the almost unlimited "power of disposal" over the enterprises' transport capacity and the virtual absence of pressure to be efficient caused the enterprises to make generous use of road transportation as a carrier. Encouraged by the formation of the combines from 1978 to 1980, cooperative relationships were set up with no regard for the distances involved. Trucks were used to ship small amounts of material or spare parts over long distances or for private purposes, to name just a few examples.

Even the fact that some of the enterprises' own vehicles were antiquated, consequently extremely prone to breakdown and in constant need of repair and had a high fuel consumption did not result in increased use of the less expensive transport capacity of public vehicular traffic or the railroad.

Intensification of transportation put an end to this development and introduced a new way of looking at the benefits and drawbacks of road freight transport. A reduction in the percentage of long-distance traffic, greater use of public vehicular traffic, handing over the enterprises' vehicles to vehicle combines, the scrapping of worn out but still driveable vehicles, better utilization of tractors and truck trailers, the formation of factory ride-sharing groups, supplemented by a series of administrative regulations, are intended to bring about the change in carrier. The consequence is the need for better organization in the cooperation between the two carriers, railroad and road, within the framework of a joint freight transportation process, because there are expectations of rationalization effects on the economy as a whole from the combination of both partial systems, which is designated a transport chain.

Optimal utilization of the specific advantages of the two carriers, the high route performance of the railroad and the ability of road traffic to serve an area intensively, requires a high level of coordination. What has been inadequate control of processes at the junctions between both carriers is developing increasingly into an obstacle to a broad change in carrier. Experts evaluate the problem as follows:
"The great efforts and abundant exertion within the huge complex of "rationalization of transportation" will have only a limited effect if the questions of interfaces and their "networking" between the individual carriers and the users in the economy are ignored. It is here that the reasons must be sought why only administrative measures have so far succeded in advancing the process of switching carriers." (Footnote 57) (Wolfgang Dehmelt: "Service Enterprises for Railroad Transport and Freight Handling for Industry--A Form of Cooperation in Industrial Transport in the USSR," in: DDR-VERKEHR No 6, 1985, p 186)

In the GDR, according to their own estimates . . .
"material-technical prerequisites in freight handling continue to be affected by a lack of investment, particularly in the transportation-intensive branches of the economy. The current development is characterized by an increasingly adverse age structure for the material. The inventory of equipment more than 10 years old is growing." (Footnote 58) (Karlheinz Beilner: "Economic and Legal Aspects of Coordinating Handling Processes in the Territory," in: DDR-VERKEHR, No 2, 1985, p 34)

Control of handling processes at junctions constitutes the major problem in the collaboration of the two carriers. Neither the users in the economy nor the railroad presently have at their disposal handling technologies and equipment that are adequate to meet the conditions of increasing amounts of "broken" loads, that is, more frequent changes of carrier. If one considers the fact that the cost of freight handling in 1984 constituted 10 percent of the economy's production consumption (5 percent for the public transport system and 95 percent for other areas of the economy), " . . . reducing expenditures for freight handling in conjunction with the rise of 'broken' transport [is becoming] a crucial link in lowering production consumption and raising the quality of the freight transport process." (Footnote 59) (Otto Arndt: "The GDR's Transportation Policy--An Expression of the Growing Importance of Transport as a Factor in Productivity and Growth and of Its Social Function in a Socialist Society," in: DDR-VERKEHR, No 10, 1984, p 293)

There are hopes that partial solutions can be derived from the joint use of handling facilities at the railroad's junction stations, from the creation of loading and unloading teams, from factory driving teams and also from a thorough rationalization of freight handling techniques. (Footnote 60) (See Heinz Schmidt: "The State of Regional Rationalization of Transportation and Trends in Development," DDR-VERKEHR, No 10, 1984, p 296)

The division of work between the carriers is being controlled through state organs both administratively and with economic means. Adherence to the prescribed limits is to be ensured by means of a newly enacted traffic law, normative guidelines for volume, performance and distance of transportation, graduated increases in transport prices and sanctions for non-compliance with the guidelines. (Footnote 61) (See Section III) Special priority is being given to stricter observance of the 50-kilometer distance limit for road traffic. In addition, starting in mid-1985, all goods that are transported by road locally, starting at a distance of 30 km, from one Bezirk to another, are subject to coordination. (Footnote 62) (See "Legal Gazette of the GDR," Part I, No 12, 10 May 1985 (Ordinance on Coordination) Tasks relating to the division of work for factory traffic and public vehicular traffic will also have new regulations. (Footnote 63) (Ibid., paragraph 6, p 143)

The application of administrative methods makes clear that the measures introduced earlier for indirect (economic) guidance have not sufficiently encouraged the formation of sensible transportation chains. As long as shippers do not derive any tangible economic benefits from giving up this type of transportation chain, efforts to find a solution to the problem of how to divide the work will have to be made with the assistance of administrative measures. Besides, it is already clear that as the result of a greater number of interruptions in shipping, given the current level of expertise with these processes, an increase in total expenditures can be expected.

The goal of conserving diesel fuel by means of more extensive exploitation of domestic energy sources has been achieved. But account must also be taken of the fact that this conservation effect was brought about in many cases without any consideration being given to the growth of total expenditures.

Combined Traffic

Combined traffic, in the shape of container transportation, represents a special form of collaboration between the railroad and vehicular transport, because it is particularly suited to carrying out the immediate assignment of intensification of transportation. In active use in the GDR since 1968, the container system is developing under present conditions into a service area with increasing importance for transportation. Particularly advantageous when transporting irregularly shaped goods, it is opening up possibilities for a broad shift in transportation and the rationalization of transportation processes. It has the following advantages: shipping goods by way of one or more carriers without transferring the contents, savings in packing costs, rationalization of internal transportation at the enterprise and of warehousing technology, prevention of freight damage, a reduction in the need for labor during transshipment of the freight and the capability for automation of the transshipment process.

However, transportation chains of this type function only under certain conditions. Besides an adequate number of containers to ensure unhampered circulation and their maximum utilization, they include high-capacity handling facilities, an adequate vehicle pool for both carriers and a suitable network of transshipment sites. The application of modern technologies and handling equipment, the use of process computers for the independent control of transshipment installations and arrangement of shipments are additional important prerequisites for blending the advantages of container transportation with the requirements for intensification of transportation as traffic volume increases.

As can be seen from Table 9, showing the development of container shipping, there was a growing demand by shippers for the opportunities of combined traffic in the period between 1980 and 1984. The number of containers shipped increased by almost one-half. The volume of freight carried increased by the same amount. The result was evaluated officially as follows:

"In the period from 1980 to 1983, as the result of a more intensive use of transport and handling facilities and of the expansion of the container pool, it was possible to achieve the largest increase in performance since the introduction of container traffic in the GDR. With an increase in performance of about 40 percent, which includes the shifting of 1.3 million tons from road freight traffic to transportation by container, a substantial contribution has been made to a more efficient division of work between the carriers from an energy-economic perspective." (Footnote 64) (Otto Arndt: "The Transportation Policy of the GDR," p 291)

Currently the DR has a total of 31 container stations at its disposal, which make direct house-to-house transportation possible, 70 stations are approved for railroad delivery of large containers, among which are 11 transshipment sites where delivery and pickup of containers right to the customer's loading site and back is possible. However, the available capacity of the access points and stations is still inadequate for any marked expansion of container traffic. An increase in the number of access points and expansion of the stations that are approved for container traffic are unavoidable for increasing container transportation.

If one looks at the percentage of container shipments in the total volume of freight and total performance, there has certainly been a steady increase since 1970, but in volume only 0.1 percent was carried in 1970 and 0.5 percent in 1984 (0.3 percent and 1.3 percent of performance). The share of total railroad transport remains within modest limits (see Table 9). From this perspective, the demand of responsible politicians in GDR to expand container transport is understandable. There are, after all, hopes of expanding the possibilities for mechanization and automation of transportation as a result of using containers and thereby increasing productivity and eliminating the heavy physical labor still involved in transportation.

The solution to this problem seems all the more urgent, because three-fifths of the containers' total running time is still needed for transshipment and storage. (Footnote 65) (See round table discussion on the topic "Tasks in Container and Mixed Freight Transportation," in: DDR-VERKEHR, No 5, 1983, p 130)

Table 9. Container Shipments By Rail for 1970, 1975, 1980 and 1981 to 1984

Year	Number of Containers Shipped (1,000)	Volume of Freight Shipped (1,000 tons)	Percentage of Total Volume of Freight Transport	Percentage of Rail Freight Transport Volume	Freight Transport Performance (Millions of Rate ton/km)	Percentage of Total Freight Transport Performance	Percentage of Railroad Transport Performance
1970	185.5	890.3	0.1	0.3	178.7	0.3	0.4
1975	358.3	2,035.5	0.2	0.7	423.4	0.6	0.9
1980	486.5	2,935.2	0.3	0.9	664.1	0.8	1.2
1981	482.1	3,024.2	0.4	1.0	715.1	0.9	1.3
1982	552.5	3,495.6	0.4	1.1	795.2	1.0	1.5
1983	639.9	3,934.5	0.4	1.2	903.0	1.2	1.6
1984	697.7	4,451.1	0.5	1.3	1,046.2	1.3	1.8

Source: Statistical Almanach of the GDR 1985, pp 86, 88

The DR requires almost 30 percent of the capacity at the container handling sites to move the containers from one train to another. (Footnote 66) (Ibid., p 131) If these crucial weak spots in container transportation are not eliminated, limits will be imposed on the further expansion of this transportation system in domestic freight traffic. Similar obstacles are posed by high container downtime, by a failure to make maximum use of their space and weight capacity and unsatisfactory use of the load length of the freight cars. These inadequacies are a result of a lack of prerequisites and poor preparation on the part of both the carriers and the shippers for container transport. Specific conditions are attached to transportation using containers, and their observance determines the efficiency of this transportation system. The most urgent tasks at present, both for the railroad and the enterprises who make up the shippers, are to raise the technical level of the transshipping installations, to improve the technology and to increase the number of containers. The conditions, principles and methods, as well as the sanctions for violations in container transport, are laid out in the Freight Transport Regulations (GTVO) (Footnote 67) (Legal Gazette of the GDR, Part I, No 2, 2 February 1983, fifth implementing regulation)

The use of small containers and pallets is also set out in these regulations. (Footnote 68) (Ibid., sixth implementing regulation) There are hopes that the heavier use of small containers and pallets by the shippers will bring about further rationalization of container transport. The intent is to achieve "annual growth rates of 12 to 15 percent" in the use of all types of containers in domestic freight transport (Footnote 69) (Otto Arndt: "The Transportation Policy of the GDR," p 293)

3. Division of Work Between the Railroad and Inland Shipping

If it was possible to register a positive balance overall, considering the railroad's goals of traffic intensification, the determination with respect to inland shipping is that no final breakthrough has been achieved here.

As can be seen from Table 10, there was an increase in the volume of transport of 2.4 million tons and in performance of 0.4 billion ton/km in 1984 compared with 1980, but no substantial increase in transportation was achieved on the GDR's inland waterways.

Table 10. Performance Growth for Inland Shipping in 1960, 1970 and from 1980 to 1984

Year	Volume of Freight Carried (Million Tons)	1960 = 100	Transportation Performance (Billion ton/km)	1960 = 100
1960	12.6	100.0	2.3	100.0
1970	13.7	108.7	2.4	104.3
1980	16.3	129.4	2.2	95.7
1981	16.6	131.7	2.4	104.3
1982	16.8	133.3	2.3	100.0
1983	17.5	138.8	2.4	104.3
1984	18.7	148.4	2.6	113.0

Source: Statistical Yearbook of the GDR 1984, p 213, Statistical Almanach of the GDR, p 86

A proven means of transportation for bulk freight traffic, inland shipping presently carries bulk freight whose share of its total volume is between 70 percent and 95 percent. The freight includes construction materials, solid fuels, ores, metals, waste products, agricultural products and those of the food and luxury goods industries, but also increasingly machinery and equipment. There are supposed to be areas in which containers can be used, which at the present time are carried in only small numbers on inland waterways.

In 1984 the GDR had 1,675 km of main waterways and 644 km of secondary waterways, 566 km of canals and 1,287 km of regulated and channeled stretches of river, with 466 km which alternate between stretches of river, canal and lakes. (Footnote 70) (See Statistical Yearbook of the GDR 1985, p 85) By comparison with the FRG, whose inland waterways are almost twice as long, 4,429 km, of which 2,989 km are rivers and 1,440 km canals, the GDR is not in a bad position in this respect, with 21 km of inland waterway per 1,000 km^2, compared with 17 km in the FRG. In spite of these favorable conditions, inland shipping has not been used much for freight transportation. While 7.9 percent of the volume of freight carried in 1984 in the FRG and 20.8 percent of shipping performance went to this branch of transportation, the GDR managed only 1.9 percent and 3.4 percent in the same year. (Footnote 71) (See Tables 2 and 3) According to estimates by experts in the GDR "the major portion of the waterways is used less than 50 percent, if night non-operating times are included the use factor drops even further." (Footnote 72) (Astrid Kroeger: "The Role of Inland Shipping in the Carrier System," in: DDR-VERKEHR, No 7, 1984, p 214)

In comparison to other socialist countries--in the CSSR this carrier took 3.2 percent, in Hungary 4.5 percent of total transport performance--the same low utilization of this carrier emerges. (Footnote 73) (Ibid.) Even if imminent energy-economic problems make carrying freight on inland waterways more attractive once again, since this involves the lowest specific expenditure of energy (the ratio of energy expenditure per unit of performance among the three carriers, inland shipping, railroad and vehicular traffic is 1:1.25:4) and there are consequently cost advantages (Footnote 74) (The cost advantages of inland shipping are based on the following: Natural traffic routes (waterways) are used, costs are lower for route construction compared with other carriers; greater capacity of the container; optimal ratio of dead weight to payload; slower speeds result in lower energy consumption per unit of performance), there are a number of objective reasons and obstacles in the way of a broad shift of freight from road and rail to the waterways:

Inland waterway transport is particularly suited to non-express freight.

Moving the freight more quickly, and therefore raising speeds, would have a negative effect on energy requirements, the need for labor and not least on the environmnet (embankments and riverbed reinforcements). Only smaller ships could be made available, and the extent of transportation would be correspondingly reduced.

In order to provide more noticeable relief for road freight transport and the railroad, more goods that are not under any pressure of time, that is, they have the typical characteristics for inland shipping, have to be carried on the waterways. Mechanical engineering products might have some limited suitability. It would have to be taken into consideration whether the costs for their multiple transshipment can be justified from the viewpoint of the entire economy and whether any energy-economic benefit results.

In spite of these limitations, there are possibilities open to inland shipping to make better use of the available operating time. Reducing all types of layover time and controllable downtime and repairs, raising the ships' operating time, the introduction of multiple shift operation and the use of computer-aided systems for fleet control would make it possible to increase the amount of time under way, which at present does not even amount to 25 percent of the total annual work time, and thereby create capacity for the shift of transportation.

If inland shipping takes more goods, it will be necessary to expand the existing points of access to the waterway network.

This applies to factory-owned access points (such as harbors, transshipment sites or loading sites for the construction industry) which are the starting point of ship transportation for the shipper and the end point for the user. Pre- and postruns by the railroad or vehicle traffic are not necessary. These access sites specialize in the appropriate type of freight, as do the handling installations. On the other hand, in order to load goods from the supply area that would be suitable for inland shipping at factory-owned access sites, special installations for transshipment would have to be set up both with the shippers and with inland shipping. In each case the necessary delivery and pickup would increase the extent to which transportation is interrupted. The possibility of joint use of factory-owned transhipment points has either not been put into practice or only to a limited degree.

Table 11. Transshipment of Goods in the Inland Ports of the GDR from 1960 to 1984

		Transshipments (million tons)				
		By Port Authority				
Year	Total	Upper Elbe	Middle Elbe	Oder	East Berlin	Other Ports
1960	13.0	1.8	3.9	3.7	2.4	1.2
1970	15.8	2.3	4.7	4.0	2.4	2.4
1980	17.0	3.4	5.0	4.5	2.4	1.7
1981	17.2	3.5	5.2	4.7	2.1	1.7
1982	16.9	3.6	5.1	4.6	1.8	1.8
1983	18.5	3.8	5.8	4.8	2.2	1.9
1984	20.2	3.9	6.6	5.1	2.7	(1.9)*

* Calculated as a difference

Source: Statistical Yearbook of the GDR 1984, p 223; Statistical Almanach of the GDR 1985, p 90.

Full utilization of the available transport area is closely linked to the low number of factory-owned access points. As studies, for example, of the catchment area of the Saale have shown, the flow of goods in inland shipping is uneven here, because there are more shipments out. (Footnote 75) (See Uwe Bittenbinder and Reinhard Schroeter: "Regional Studies on the Increased Use of Inland Shipping," in: DDR-VERKEHR No 4, 1985, p 103)

For reasons of energy economy, it is important to reduce the number of trips made with no cargo, that is, to organize return transportation as well. This would be possible through expansion of the access site network.

Access sites to the waterway network also exist through inland ports, which manage the exchange of goods between the carriers and represent junctions in broken transportation. Table 11 shows the extent of transshipment of freight by port installation, with the ports of the Middle Elbe administrations, among which is the largest inland port in the GDR, Magdeburg, carrying the major share (construction material, coal, ores, animal feed and fertilizers and agricultural products).

For shippers, insofar as they do not have factory-run access sites at their disposal and are dependent on the freely available ones, transport by ship is attractive only in the catchment area of the inland ports. If this area is already well served by the railroad, an extra change of carriers means an increase in transportation costs that cannot be justified.

In the catchment area of the Saale, for example, a single public access site in the port of Halle/Trotha and 10 specialized factory transshipment sites face a total of 51 DR freight depots with a multiplicity of main and secondary connectors. (Footnote 76) (See Uwe Bittenbinder and Reinhard Schroeter, op. cit., p 105) The factories' handling facilities specialize in railroad transportation and could not be used for inland shipping in the event of a change in carriers.

Another condition that makes a broad shift in transport to inland shipping more difficult is that the capacity of the existing inland ports, as well as the technical and technological level of the transshipping facilities is inadequate. The cargo handling facilities are antiquated and require urgent modernization and expansion. In the period between 1971 and 1975, this carrier had 0.4 percent of the total volume of investment for transportation at its disposal. There is no reason to believe that the percentage of investment for inland shipping will increase in the next 5-year plan periods and that it could consequently contribute to fundamental changes. A noticeable jump in performance and greater attractiveness for inland shipping would be possible, if the access sites to the waterway network were expanded in number, if bends in canals and rivers were widened, the capacity of locks were increased, the percentage of push tugs were raised and older ships were scrapped. Overall, comprehensive modernization of inland shipping cannot be avoided, if the constantly growing number of tasks is to be managed.

To achieve this, investment capital would have to be made available to improve the propulsion and operating systems and the embankments. The chronic lack of investment funds, which will continue into the forseeable future, will very probably grow into an increasingly formidable barrier to any further improvement in the performance of this carrier.

Another reason for the previous and continuing comparative lack of use of inland waterways can be found in the alignment and state of development of the network.

In a north-south direction the major waterways of the Elbe and the Oder run through only part of the GDR, and their principal transshipment areas, the river estuaries, are likewise outside its territory. Similar conditions obtain in the case of the canal system, which takes an east-west course and is consequently of limited importance. (Footnote 77) (See Bernd Spindler: "See- und Binnenschiffahrt der DDR" [Maritime and Inland Shipping of the GDR], Gesamtdeutsches Institut, Bundesanstalt fuer gesamtdeutsche Aufgaben, Bonn, 1980)

The crucial problem, however, is the location of deposits of raw materials and the existing site structure. The large industrial regions in the south have no access to the waterway network, their manufactured goods are unsuited to transportation by water. Inland shipping also faces an objective barrier in that the seaports of Wismar, Rostock and Stralsund are not linked to the inland waterway network. As a result, a great part of the goods that are suitable for inland shipping is inaccessible, and a shifting of goods can only take place in the area opened up by shipping with the already existing goods structure. Plans for a shift in transportation on a broad scale encounter objective limits as a result.

4. Rate Policy Measures

New rates, which replace those from 1967, have been in force for domestic freight traffic since January 1982. They do not apply to the population at large, craft cooperatives, private artisans and tradesmen, the self-employed and freelancers, as well as agricultural enterprises and installations.

The objective is to bring about the division of work between the carriers that the political leadership is aiming for by means of a differentiated increase in freight rates and a change in the system of setting rates. The intent is to match the price increases in the energy sector with an average increase in rates of 50 to 60 percent, and 80 percent for long-distance road traffic. The increased costs for freight transportation resulting from the application of the rates is intended to force the enterprises among the users to make "economical use" of transportation and to reduction their demand for transport. The official description of this objective is:
"The new domestic traffic rates are intended to lend effective support to the national economic task of reducing specific transportation requirements while implementing the process of reproduction." (Footnote 78) (Joachim Leyendecker: "New Rates for Domestic Freight Traffic in the GDR," in: DDR-VERKEHR No 12, 1981, p 409)

In accordance with the rate changes, shipments over the longest distances carry the highest rates and railroad shipments have lower rates compared with shipment by road. In the same way, shipments by inland waterway carry lower rates than the railroad. (Footnote 79) (See Johannes Tismer: "Economic Policy Strategy for Intensification in Domestic Freight Traffic of the GDR," p 16)

The rates were staggered, the increases amount to:

- --55 percent for railroad shipments by freight car
- --79 percent for freight shipments locally by vehicle, 81 percent for long-distance transport.

This substantial price increase is clearly intended to make the railroad more attractive as a carrier to the enterprises from an economic standpoint.

Container transportation is also being promoted. The 59-percent increase in transportation by rail and the 63-percent increase in road transportation supports this objective.

Freight transportation on inland shipping show the smallest increase. Prices for shipment on this carrier increased only 47 percent, representing an economic spur for shippers.

The example of shipments of brown coal briquets by rail illustrates both the basic traits of price setting and the scope of the changes in price (see Table 12). In it the previously applicable rate scales of the German Railroad Freight Rates (DEGT) are compared to the new rates for freight car loads (TWE).

Table 12. Comparison of the DEGT Price Level (as of 31 December 1981) and of the TWE

Type of Goods/Class of Goods: Brown Coal Briquets DEGT: 4 M
TWE: 4 A
Weight: 26.5 tons
Vehicle: 2-axle freight car

	Freight in M		Freight Difference	
Distance (km)	DEGT (previous)	TEW (new)	M	Percent
50	146.30	152.00	5.70	3.9
100	212.50	303.00	90.50	42.6
200	345.00	607.00	262.00	75.9
400	610.00	1,212.00	602.00	98.7
600	875.00	1,818.00	943.00	107.8
Weight: 53.0 liters Vehicle: 4-axle freight car				
50	292.50	292.00	0.50	0.2
100	425.00	583.00	158.00	37.2
200	690.00	1,166.00	476.00	69.0
400	1,220.00	2,332.00	1,112.00	91.1
600	1,750.00	3,493.00	1,743.00	99.6

Source: Erhard Grahl: "Rates on the Railroad," in: DDR-VERKEHR, No12, 1981 p 414

III. Intensification Measures in Individual Industries

1. Planning Organization

An important measure in the move for intensification is the reduction of demand among the enterprises that ship their products for transportation. The cutback in demand is to apply to all carriers, but to road traffic in particular, in order to accomplish the desired shift of shipments from road to rail.

Because the enterprises did not limit their demand, a series of administrative measures was introduced, starting in 1980, to accomplish this objective, which affected the economy as a whole. By means of state control, and with the help of constantly tightening regulations and the appropriate ordinances to enforce them, the enterprises were induced to reduce their transportation requirements considerably. Most of the officially calculated conservation figures for transportation were arrived at in this way. The basis for determining demand is the "socially acknowledged need for transportation," i.e., the enterprises' demand for transportation from the individual carriers is reduced to the level approved by the state. That means a further incisive restriction of the enterprises' independence, because the interests of individual industries are given less and less consideration and they have to subordinate themselves to the objective of the economy as a whole. The absolute limitation of demand for transportation further restricts the flexibility of the enterprises, reduces their ability to react, limits the opportunities to use their own vehicles as they see fit and makes them dependent on public carriers.

Transportation planning is at the core of the restrictions. The biggest savings in the GDR's transportation system are supposed to have been achieved as a result of organizational planning measures. Official figures show a reduction of transportation in domestic freight traffic of 4.5 billion ton/km just in the period between 1980 and 1983 as a result of the newly enacted transport planning and method of calculation. (Footnote 80) (See Gerhard Baer, Dieter Hahn, Veronika Meier and Joachim Piehl: "The Situation and Results in the Application of Transportation Indicators and Norms, with Basic Directions for the Further Development of Transport Planning," in: DDR-VERKEHR, No 1, 1985, p 5)

A priority in the regulations that have been introduced is the application of transportation norms and indicators, which form the basis for planning transportation needs. The Regulations on Transport Balance Projection (TBAO) stipulate that the enterprises have binding limits imposed on them in the form of transportation indicators in order to utilize the services of branches of public transportation in order to prepare their transport plans. (Footnotes 81 and 82) (Regulation concerning the determination of transportation requirements and their balancing, Legal Gazette, I, 1982, No 7, p 154) (Planning regulations from 1986 to 1990, starting in 1986, foresees the establishment of an independent planning section for transportation as part of the operational plan, as well as the preparation of transport balance projections for the territories, for each Bezirk, and for the GDR. The TBAO will be dropped when the planning regulations become effective. See the regulation on the organiztion of planning the economy of the GDR from 1986 to 1990 of 7 December 1984, Part D, Legal Gazette of the GDR, reprint No 1190 d.)

See Authors' Collective; "Planungsordnung 1986 bis 1990" [Planning Organization 1986 to 1990], Series: Blickpunkt Wirtschaft, East Berlin, 1985, pp 76-80)

The transportation indicators "for the utilization of freight transport services" also contain specific objectives to reduce the economy's expenditures for transport and to optimize the connections between transportation and supply "and estimates for shifting long-distance shipments from road freight traffic to the railroad or inland shipping." (Footnote 83) (Regulation concerning the determination of transportation requirements, loc. cit., paragraph 4, p 156)

These regulations are new to the extent that until now the enterprises only drew up a capacity balance projection for factory traffic annually, and transport indicators were established only for selected types of goods for the public carriers railroad and inland shipping when they drew up their transport plan. The shippers' transportation requirements were largely met, i.e. the carriers had an unlimited obligation toward their customers.

Since 1984 new rules have also applied to the monthly report to the Central State Administration for Statistics concerning compliance with the indicators handed down. In this way the state maintains a running check on the transportation utilized, the amount and the costs. (Footnote 84) (Central State Administration for Statistics: "Guideline for Calculating Transport Indicators for Shippers," valid starting in 1984.)

Violations of the indicators which cannot be justified from the standpoint of the economy have drawn sanctions since 1984. (Footnote 85) (Order (AO) of 14 December 1983 concerning further economic measures to reduction transportation in the economy. Legal Gazette I, No 34, p 336; AO of 14 February 1984, Legal Gazette I, No 5, p 71)

Legal regulation of planning transport costs for the utilization of public freight traffic and for making shipments in factory traffic has also been in force since 1984. It obligates the enterprises to authenticate their transport costs according to a value figure. Transport costs are planned per M 1,000 of goods produced, both for utilizing public transportation as well as factory traffic. Planning factory traffic costs has to include all the costs accruing for carrying this out with the factory's own vehicles, and that includes intraplant traffic. (Footnote 86) (AO No 4 of 31 March 1983 on the supplement to the order for planning the economy of the GDR from 1981 to 1985, Legal Gazette SDr [not further identified] 1122 XV, p 67, para 4; AO No 4 of 31 March 1983 on the overall guideline for planning in combines in industry and contruction, Legal Gazette, SDr. 1122, p 88, para. 8.2)

The drawing up of transportation norms has been mandatory for transport-intensive branches of the economy since 1983 and, since the beginning of 1984, for all enterprises that have to participate in transport planning. (Footnote 84) (AO of 1 April 1983 on the use of norms to improve planning, accounting and control of transportation expenditures in the national economy--Transportation Norm Order (TNAO), Legal Gazette, I, No 10, p 122) Enterprises and combines using the transport industry that demonstate an annual transportation requirement above a volume of 1,000 tons have to draft proposals for transport norms. In the case of works traffic, the cutoff for having to draw up norms is enterprises with a factory vehicle pool having a payload above 10 tons (applies to vehicles above 4 tons).

They have to determine the transport norms as a ratio between performance, volume and costs at a base figure (usually production of goods).

In connection with the drafting of transportation norms, the shipping enterprises and combines are obligated to prepare their transportation needs with particular attention to planned or anticipated changes (for example, changes in the amount of cooperative effort, the average shipping distance, possible shifts in transportation and in the mandated conservation figures) (Footnote 86) (In addition to the ministries for the trades industries, the Bezirk and Kreis councils and the combines and enterprises under their jurisdiction are also obligated to draft norms, as well as the Ministries for the Construction Industry, Transportation, Agriculture, Forestry and Foodstuffs, and Trade)

The proposals from the enterprises are compared with the possibilities for their realization by the organ in charge of balancing and communicated to the enterprises in the form of indicators as a "balanced claim for the provision of services" so that they can draft their transportation plans. This means that discrepancies can arise between the enterprise's overall transportation performance requirements and its need by carrier, as well as the possibility of meeting these requirements. This form of "compulsory allocation" has to achieve results in conservation, because only as much is allocated as is considered urgently necessary by the particular balancing organ from the perspective of the national economy.

This compulsory method of operation in transportation, implemented by means of a variety of different administrative regulations, not only damages the economy's ability to adjust. It makes the economy even more sensitive and subject to breakdowns in different ways, because as a result of the absolute leveling, in terms of capacity and structure, of the figures for volume and use of goods transport, the creation of reserve capacity, or a shift to other carriers, is almost impossible.

Apart from this more acute overall problem, there are a number of individual problems for the enterprises using the shipping industry. A more detailed description of them follows at this juncture:

--A prerequisite for determining transportation needs is the analysis of previous utilization of transport performance using individual indicators, but also by time periods and from the perspective of the receiver and the shipper. Due to the lack of a suitable computing base, this analytical activity has been carried out manually for the most part. It is, consequently, time-consuming, inaccurate and does not meet requirements in many respects. The same difficulties arise with the officially mandated accounting.

--The enterprises have to draft the planning documents for transportation at a time in the plan year when there has often been no final clarification of the production program, the percentage of exports in total production, the allocated balance amounts for materials and premanufactured products, the suppliers or even the buyers. The quality of transport planning depends on just such information. The more inaccurate the input data, the less reliable the result--the transport plan--will be. The difficulties become even greater in drafting the 5-year plans for transportation.

--The constant requirements associated with planning to reduce transportation costs will very probably turn out to be a growing problem. The reserves that can be tapped relatively easily are largely exhausted, considering the extent of the previous reduction. At the very latest from that point on, the question arises whether absolute conservation forecasts can be justified, either for individual industries or the economy as a whole, and when the limits have been reached.

--The increased practice of allocating shipments by rail, as well as the continuous reduction of amounts of fuel, usually occur independently of the specific transportation requirements of the individual goods. Paramount is the strategy to bring about a shift, which is to be implemented and for which an account must be prepared, without adequate consideration of the resulting problems, i.e. critically examining costs and results.

--Difficulties also arise for the enterprises in determining a suitable reference figure for transportation performance, volume and costs. If they limit themselves to natural figures, to some extent the result is an inadequate reference to production planning. On the other hand, natural figures can represent different financial values and differentiated transportation requirements. But what is required is comparability within a single combine or branch of industry. The solutions implemented are, as a result, often inadequate.

--Changes in plans, overfulfilment or underfulfilment of production and sales plans, changes in balance shares, changing the suppliers and buyers, etc., affect transport planning if they mean additional need for transportation or the return of unused capacity in the current plan year.

The plan has "legal force" for the combine, and any change starts a chain reaction, particularly as the individual partial plans are, or are supposed to be, balanced with each other.

--Cooperation in operations with the carriers, particularly with the railroad, places increasing demands on the quality of transportation planning. On the basis of transport contracts between customers and enterprises within the framework of assigned plan numbers, the dispatchers, for example, are obliged to report their requirements monthly. Confirmation comes in the form of the transport plan decision, at the latest 3 days before the beginning of the plan month. The enterprises have to place an order for freight cars at the latest 2 days before the day they are needed, as part of the binding plan decision. The assumption is that there will be consistent full capacity over 7 days, which means that Saturdays and Sundays have to be included. Operational transport planning for each month, including plan supervision and monthly accounting of transport indicators, have to be reconciled with the planning of production and its realization.

2. Optimization of Transport

A noticeable reduction in transportation needs on the part of industrial shippers is to be achieved by applying transport optimization. It includes:

--optimization of locations, principally for installations which send or receive bulk cargoes
--optimization of delivery arrangements on the basis of existing locations
--optimal distribution of transport assignments under existing supply arrangements and the branches of transportation suited to them (determination of optimal division of labor within the transport system) and
--determination of optimal operating procedures and technologies within and between the individual branches of transportation. (Footnote 86) (Klaus Juergen Richter: "Methoden der Transportoptimierung," East Berlin, 1984 p 10)

Optimization, employed as early as the 1960's in improving the efficiency of bulk freight shipments in the transportation system, was only "rediscovered" in connection with the task of traffic intensification. The absence of compelling economic reasons for its use, but also the lack of " . . . the type of computing facilities and information base which are adequate for the magnitude of the tasks to be accomplished, in all transport-intensive branches of the economy . . . " resulted in the neglect of transport optimization. "The computing technology base has since been devloped by using equipment from the ESER system. It can be expected that the informational requirements for optizing supply arrangements will now improve." (Footnote 87) (Ibid., p 9)

Attention is currently focused on optimizing supply arrangements (i.e. shipments between factories), because transportation costs can be reduced over the relatively short term and without additional investment capital. The following estimate reveals the expectations attached to it: "Optimization calculations showed that transport costs can be reduced by 3 to 5 percent if this method is applied consistently." (Footnote 88) (Ibid., p 8)

In the opinion of the transportation minister of the GDR, the results achieved so far in reducing transport costs have resulted primarily from these measures. He commented: "These significant results can be attributed primarily to optimization of deliveries and shipments. As a result, in the years from 1981 to 1984, a total of 8.4 billion ton/km in freight transportation was not needed." (Footnote 89) (Exclusive interview with Minister Otto Arndt: "Tasks for the Transportation System in the 1985 Plan Year," in: DDR-VERKEHR, No 1, 1985, p 2)

First practiced in the five most transport-intensive branches of the economy, coal and energy, ore mining, metallurgy and potash, construction, the chemical industry and agriculture, forestry and foodstuffs--which account for three-quarters of the shipping volume and performance of the branches of public transportation--efforts will be made increasingly to optimize supply arrangements in firms in other areas of the economy. The metal-processing industry can be taken as an example. Particularly in the 1960's and 1970's, its product and production structure was associated with a disproportionate development of the scope and of the value of cooperation performance and consequently of transportation relations.

The scope and structure of transport processes can be seen from the example of the October 7th Combine in Berlin. This combine consists of 13 enterprises, with over 40 plant sections and manufacturing areas, which belong to the Bezirks of Berlin, Leipzig, Karl-Marx-Stadt, Dresden, Gera, Magdeburg, Potsdam and Halle. Annually they produce about 3,000 machine tools, made up of approximately 130,000 to 160,000 individual parts, with a weight of up to 20 tons per part. About one-half of all the individual parts are manufactured in plants outside the combine. To the already extensive transport performance between the plants in the combine, there is consequently added, to an even greater extent, that which results from its supplier relationships to plants outside the combine. (Footnote 90) (See Guenther Tessmann and Heinz Zerressen: "Tasks in the Complex Rationalization of Production and Transport in Industry," in: DDR-VERKEHR, No 1, 1984, p 8)

As a result of the "reevaluation" of these supply and purchase relationships from the perspective of transportation economy, and with the aid of optimization of transport, it was possible to reduce specific transport costs in this combine to 65 percent from 1980 to the beginning of 1985. As studies showed, the scope of cooperative relations could be reduced by about 10 percent, and thereby improved for transport, through improved organization of production without additional investment. (Footnote 91) (See Otto Arndt: "The Transportation Policy of the GDR," p 292)

However, connected either directly or indirectly with transport optimization, the following problems result for firms that have to ship:

--Transport optimization is not relevant for all firms, particularly not for those with a specialized production program. As a result of the high degree of specialization in industry, there are often only one or a just a few possibilities for the purchase of particular products. In the case of long transportation distances, and with shipments being shifted to the railroad, conditions arise which make the continuous shaping of the production process difficult.

--From the transport-economic perspective, the question generally arises about the need for the existence of highly productive specialized companies, which appear as monopoly suppliers within the GDR's economy. Although such a monopoly position cannot be avoided in exceptional cases, if existing transportation routes are taken into consideration, the tendency must be:

a. either an orientation toward a large number of smaller, more specialized, scattered production sites, or
b. the companies must expand their production program and thereby surrender some of their specialization. This means that the solving the tasks of transport optimization can, under certain circumstances, result in a change in the plants' production program.

--Many supply relations are so stable and well-established that to reduce their number with the goal of saving transport costs cannot be efficient, either for individual industries or for the entire economy. The enterprises in question would have had to accept increased expenditures in another form as the result of optimization. In the case of well-proven cooperative relations, which grew over a long period, specific product knowledge and experience, as well as mutual dependency in technology have often developed as the result of the need for close cooperation between the semimanufacturers and the end manufacturers. To destroy all this means to devalue knowhow in the broadest sense of the word and occasion temporary drops in efficiency. Many apparent successes in optimization, viewed over the long term, will have to prove their worth in this respect.

--Even if it has been possible so far to implement optimization measures for the most part without additional investment costs, there have sometimes been high outlays in the plants for production organization and technology. They have to adjust in differing degrees to the new supply relationship. An increase in the percentage of what they produce themselves, changes in the organization of production, as well as rationalization of the main and auxiliary production processes are the price paid for transport optimization, the shift in transportation and, as a result of this, conservation of diesel fuel.

--Many difficulties arose for companies that ship in the past as a result of the suppliers not honoring their obligations, as determined by law. That means deliveries were often not made on schedule and were not of the needed quality. (Footnote 92) (See Authors' collective: "Komplexe Produktions-Transportrationalisierungs-Erfahrungen aus dem VEB Werkzeugmaschinenkombinat '7. Oktober' Berlin" [Complex Experience in the Rationalization of Production and Transportation from the VEB October 7th Machine Tool Combine, Berlin], from the series: "Der Parteiarbeiter" [Party Worker], East Berlin, 1984, p 47) In an economy that divides labor, defects of this kind result in a chain reaction. In order to compensate for these interruptions, the plants were often forced to make use of their own vehicle pool. From the perspective of limiting works transport and of the associated shifting of shipments to the railroad, the stability of supply relations, i.e., primarily the adherence to contractually established performance parameters, is a basic prerequisite for the continuity of the factory production process. This applies even more when, as was mentioned above, transport by rail cannot offer a trouble-free alternative to work transport from a quality aspect. In addition, operating and bureaucratic costs (ordering deadlines, requisition requests, etc.) increase for the dispatching company when public transport is used.

--The increasing dependence of users in the economy on the carriers, resulting from the optimization measures, requires the buildup of capable and powerful information systems. Existing information systems are no longer adequate to meet requirements. Particularly for the planning and implementation of coordination in transport, new solutions are needed for transmitting and processing information, and these will have to be provided by the carriers and the users.

--As a consequence of optimization of supply relationships, there will be a growing tendency in the enterprises and combines to increase their materials inventory, particularly their contingency warehouse inventory so that they will be able to compensate for possible breakdowns in material deliveries. The resulting stockpile of working capital will increase the production fund levy (a kind of capital tax). It will probably be less of a burden on the enterprises than the sanctions that result from nonfulfilment of planned production volume caused by a shortage of materials. If there is any doubt, the unscheduled increase in inventory has fewer negative effects for the enterprise than being in arrears with plan fulfilment.

--In the opinion of experts in the GDR, optimization of delivery relations has "largely exhausted the possibilities of the first move to utilize available reserves." (Footnote 93) (See Authors' collective: Complex Experiences in Rationalization, p 41)

The considerable success achieved in the first few years of transport intensification gives rise to the conclusion that only negligible conservation effects can be expected from a "secondary optimization." New paths to reduce transport needs should be followed in future, designing products to be suitable for transportation and reducing the amount of material used in them, but also by possibly changing the structure of production and consumption. When the products are designed, the requirements must be met for full use of the space and weight capacity of the different means of transportation (if necessary, by breaking them down into units suitable for transportation). The factories are faced with the task of examining all products that have been in production for more than 2 years and determining their suitability for transportation. By doing this, the factories are simultaneously implementing another intensification measure, material conservation. (Footnote 94) (See Authors' collective, op. cit., p 50)

--In conjunction with transport optimization, the enterprises and combines are finding themselves increasingly faced with the task of rationalizing their auxiliary production processes, in particular the internal factory processes involving transport, transfer and warehousing (TUL processes). In permanent neglect before, because immediate production was at the focus of research and development and when investment capital was being distributed, these auxiliary processes represent a severe bottlneck. The disproportions within the production processes are not proving to be a hindrance to realizing existing and expanded production plans only since the new transportation strategy took effect. Since transport problems have become a priority for the entire economy, special importance attaches to the TUL processes. As analyses have shown, they are about 40-percent mechanized and employ a force of about 1.5 million workers, with a relatively high risk of accidents and under difficult working conditions. GDR experts put the cost of factory-internal handling at between M 31 and 33 billion annually. (Footnote 95) (See Gerhard Grossmann and Guenther Heinrich: "Handling Costs and Ways to Reduce Them," in: DDR-VERKEHR, No 9, 1984, p 263) Additional, and even present, tasks in transport strategy can only be carried out successfully if the level of these processes is raised significantly. Bringing the technical-technological level of the principle and auxiliary production processes up to standard by raising the degree of mechanization in TUL processes and introducing robot technology are indispensable requirements for making the solutions that are brought about as part of transport optimization permanent and efficient.

--Guaranteeing high-quality transportation is an objective which deserves special attention in the context of transport optimization. Caused by the shift of traffic from road to rail, which in turn was undertaken as part of the optimization of supply relations, broken shipments are developing into a key problem for the transportation system, but for the railroad in particular. Multiple transference of goods, as the result of a break in the transport process, strongly influences transport quality. The extent to which goods are handled can be seen from the fact that goods have until now been transferred at least twice in shipment outside the factory. The trend will be for the number of handling operations to increase. The transportation systems handles 20 percent of the total tranfers, and the shipping industry 80 percent. (Footnote 96) (Gerhard Grossmann and Guenther Heinrich, loc. cit.)

Inside the plant goods are transferred even more frequently, internal factory transportation is interrupted as many as seven times. In the case of bulk goods and fluids--which make up about 90 percent of the goods transferred--it is 3 to 10 times, for example. Mixed freight, which makes up 10 percent, can be transferred between 6 and 20 times, in machine construction it can be as many as 50 times. These examples illustrate the kinds of stresses that goods are exposed to even during the production process inside the plant and the importance that must be attached to transfer processes.

Comparable to the situation of the factories in the shipping industry, the problem in the transportation system is that the transfer processes, which make it possible to change carriers, also take place at too low a level. But it is the level of their equipment and technology that determines the extent of freight damage.

In contrast to the positive balance in transport performance shown by the economy at large and to the respectable successes achieved in shifting goods shipments, transport damage increased from 1981 to 1983 by about one-quarter, nothing being known about the extent of damage up to the beginning of the 1980's. (Footnote 97) (See Gerhard Christ: "Measures to Ensure Quality in Freight Transport," in: DDR-VERKEHR No 19, 1984, p 258) For railroad transport the following groups have been determined according to the cause of damage:

1. "Ignorance on the part of the consigner of the mechanical stresses involved during railroad transportation and underestimating its effects on the goods consigned.
2. The use of load units and packing designed for direct road transportation, but which offer no protection in the case of broken shipment in freight cars and multiple transshipments.
3. Defects in the design and/or quality of the products.
4. Belated or insufficient preparation on the part of the consigner to use new transport technology results in inadequate material-technical prerequisites to protect the goods during shipment.
5. Failure to comply with the complexity of TUL processes results in lopsided savings in packing or safety material or in its incorrect or inadequate use.
6. Violations of control technology (on the part of the TUL plants) results in poor quality execution of shipments." (Footnote 98) (H.J. Braune: "Examples of Rational Loading Technologies for Selected Types of Freight," in: DDR-VERKEHR, No 4, 1984, p 111)

A great part of the damage is caused by the effects of railroad transportation, i.e. by improper shunting (Footnote 99) (Unusual shock loads are created during shunting, when shock load and longitudinal stress presents a special risk for larger products and load units), defective equipment and shunting facilities, as well as by dampness, theft and accidents. The nature of the freight, i.e. its liability to breakage under normal stress during shipment, is likewise a reason for an increase in the incidence of damaage. (Footnote 100) (See Economy of Transportation, Part II, East Berlin, 1979, p 209; see Gerhard Christ, op. cit., p 76)

According to estimates by experts, 35 percent of the damage that resulted from being shipped could have been avoided with proper packing. The changes in shipping stress on the goods resulting from increased handling, longer shipment times and additional shunting would have to be compensated for by suitable packing and loading technology.

Inadequate preparation on the part of the carriers and the shippers for the requirements of transport intensification, as well as the previously mentioned inadequate level of handling processes, are further reasons for these phenomena. None of those involved in freight transportation were at all prepared for the changed conditions and stiffer requirements. This is the ultimate cause of the damage and the losses.

In the final instance, the effort to conserve material in general and packing material in particular, and at the same time to implement a major shift in transportation, cannot succeed in either individual industries or the economy at large. The exception is if fuel conservation alone is considered to be an objective and losses are discounted. It appears to have been a fantasy on the part of those responsible in the GDR's economy that goods poorly packed, with additional handling during shipment, and sent by rail would reach the addressee undamaged and on schedule, because reality has quite different results to show.

Now solutions to the packing problem are being demanded that require the minimum use of material, including reusable material, but also product development that considers transportation and conserves material.

Until the packing problem is finally solved, for example, by using box pallets or small containers, crates for bottles with a high insert, and boxes or trays made of corrugated carboard with dividers, a further shift of goods to the railroad will only take place when losses are accepted that affect individual industries as well as the economy generally. Apart from expenditures that result from the elimination of shipping damage, the change in transportation will entail a substantial added expense for handling services, packing and product changes. Then there remains the question of the price which has to be paid to achieve these transportation policy goals.

Binding rules for the optimization of transport relations are set out in planning, organization and cooperation law. Competencies, participation and coordination measures are established, and they manifest themselves in the drafting of contracts.

The following legal regulations are determinative in the regulation of transport optimization, bearing in mind that the shippers bear the principal responsibility for observing them:

--the law of 25 March 1982, concerning the contract system in a socialist economy--Contract Law--Legal Gazette I/1982, No 14

--the decree of 10 December 1981 on public goods shipment by rail, inland shipping and vehicle--Freight Transport Regulations (GTVO)--in the form of the Second Decree of 28 June 1984, Legal Gazette I/1982, No 2 and No 12/1982

--the directive of 31 December 1981 on determining transport needs and transport balancing--Transport Balance Directive (TBAO)--Legal Gazette I/1982, No 7 and

--the directive o f 1 April 1984 on the use of transport norms to improve planning, accounting and control of the economy's transport expenditures--Transport Norm Directive (TNAO)--Legal Gazette I/1984, No 10.

In the GTVO the "broad optimiztion of supply and delivery relations" is set out as a principle for freight transport in paragraph 1 (4) as a possible way of reducing transport costs.

Assignments, rights and obligation for state organs, combines and plants, as well as transportation boards are laid down with respect to optimization in the GTVO in paragraphs 2 through 5. Paragraph 5 states: "It is a principle that supply and shipment relations must be optimized."

The decree on combines similarly obligates the plants to set up rational cooperative relations with other combines and plants. (Footnote 101) (See decree of 8 November 1979 on VEBs--Trust Enterprises and VEBs--Legal Gazette I, No 38 p 355). By forecasting state transport indicators for drawing up plans, the companies are encouraged to realize this objective. The focus is on developing the plant transport plan. For the sake of completeness, reference should also be made to the Tasking Workbook [Pflichtenheft] for research and development assignment, what is known as the Tasking Workbook Decree [Pflichtenheft-Verordnung]. (Footnote 102) (See Legal Gazette I/1982, No 1, pp 1-12) It lays down that in the development of new products an optimal weight-performance ratio, as well suitability for transportation and handling, have to be considered in the desired performance parameters.

The Contract Law establishes in paragraph 54 the factories' obligation to make their shipments by the economically most suitable method transport and to enter into the appropriate agreements in the service contract. It is important to determine the site of the service (the customer's location) to prevent the shipper making pickups with the customer's transportation.

3. Works Transport

The general relationship between the railroad and motor traffic has already been discussed. What follows is an examination of a few selected problems in works transport with which the transportation industry sees itself confronted within the framework of the transport intensification measures.

Under present conditions the restriction of works transport and (or) its better utilization is seen as a principal source of fuel conservation. Works transport was continuously expanded until the beginning of this decade, because the constantly increasing division of labor in the economy and the change in freight structure demanded adequate availability on the part of the plants and the guarantee of matching transport quality, now--under changed enegy-economic conditions--a new way of looking at things prevails. Possibilities for reducing the plants' freight transport services are seen in the replacement of these services with both public vehicle traffic and the railroad and inland shipping. At the moment, quantitative savings are of paramount importance, while the qualitative aspects in the broadest sense are not being considered. The decisions being made are born of the need for demonstrable short-term results. The focus is on conservation, the problems stemming from it have to be solved in the short term, or they will continue to exist. The priority target for the intensification measures in works transport is those plants with between one and three vehicles. That includes about 75 percent of the plants with works transport. In contrast to plants that have a motor pool of 100 vehicles or more, factory-operated traffic with fewer vehicles is considered inefficient. This evaluation is based solely on overall economic considerations. According to this evaluation, the overall economic efficiency of the works fleet diminishes from an energy-economic standpoint " . . . the smaller the number of shipments directly connected with the production or consumption process and the greater the possibility of using public motor vehicles, the railroad or inland shipping as a replacement." (Footnote 103) (Werner Gross et al.: "Reproduction and Transport," in DDR-VERKEHR No 2, 1982, p 46)

As a result of this one-sided view, the factories' power of disposition over their vehicles was sharply curtailed, all opportunities of transferring shipments to the most energy-efficient carriers were mandated by the administration and the "socialization" of the means of transportation was pushed through on a broad scale. In practice it means the creation of factory transport groups, which are oriented toward specific industries or made up by area. As in the case of the joint use of handling equipment, vehicles that belong to one factory are used by several factories. Just as reducing the vehicle fleet and having the railroad make delivery and sales shipments is not efficient in every case for individual industries, this state-decreed form of "socialization" works against the interests of the factories in the same way. Apart from the increased administrative costs and a constant need to coordinate, the plants' ability to manage their capital assets is severely limited, because they have to make some part of their transport capacity available to other enterprises. This drawback is not made up for by the profits that the plant providing the transport capacity makes in the form of "leasing fees." They are not interested in income of this kind, because it does not compensate for the second drawback, which is above-average wear on the available transportation. Since the plants can only acquire new vehicles if there is a "state" allocation, even if adequate funds are available to replace worn-out ones, they are intent on not shortening the working life of their fleet by greater material wear and tear. Particularly as they remain responsible for repairs when the vehicles are in joint use, in spite of the long-standing problem with obtaining spare parts.

Overall, this form of transport intensification may possibly appear to be energy-economic from the perspective of the entire economy, but against it there are the substantial interests of those immediately affected in individual industries.

The factories are being pushed to implement current transportation policy objectives through a number of state regulations.

In addition to the Freight Transportation Regulations, which contain the dividing lines between the individual carriers and between motor traffic and factory transport, the coordination decree regulates the exact division of assignments between public transportation and works transport, as well as the coordination assignments for shippers. (Footnote 104) (Coordination Decree, loc. cit., pp 141-149) The following are to be assigned to factory transport:

1. Production-linked shipments of equipment by road--particularly shipments between plants as part of plant assignments, for which there are no delivery contracts on plant propert, between parts of the plant, within plant production areas, and so on.
   --broken load shipments in pre- or post-production processes to or from the railroad or inland shipping, at plants with transshipping functions
   --shipments for service and repair operations, for service, maintenenance and repair of producition and transportation facilities and their installations
   --trips for the collection or distribution of preassigned or subsequently assigned structural units in the supply area

2. Sales and supply shipments which cannot be coordinated because of area-specific haulage conditions. (Footnote 105) (Ibid., paragraph 6, p 143)

What is new in these regulations is that all road freight haulage that is peformed as part of works transport and public motor transport is subject to coordination and approval. (Footnote 106) (Ibid., paragraph 7, p 144) In practice this means that almost no unloaded vehicle can move on the roads of the GDR, because all the possibilities for finding a full load for the truck must be exhausted. This also applies to public motor transportation, because its shipments also have to be reported and coordinated. At this point reference should be made once more to the 30-km distance limit that applies to local traffic from one Bezirk to another, and to special regionally established distances. This regulation suspends any possibility of the factories managing their own vehicles. Even in the event of catastrophes, breakdowns and production stoppages, a shipment must receive approval. The sanctions for violations remain within reasonable bounds. This is when the contract law applies, although reprimands and fines threaten those responsible for using vehicles, as regulatory punishment.

The assessment of a long-distance transportaton surcharge and of a factory transport levy for making shipments by road which are carried out by enterprises with their own fleet, as well as a production fund levy if the equipment norm for motor vehicles is exceeded (norms which are presented to the the enterprises annually as binding normatives and limits), are additional methods for reducing the economy's transportation costs. (Footnote 107)

Directive on Additional Economic Measures to Reduce the Economy's Transportation Costs of 14 November 1983, Legal Gazette, I/1983, No 34, p 336) This directive states that, in the case of a shipment by road beyond a radius of 50 km from the loading site, the already existing long-distance surcharge is doubled. The factory transport levy is a special sanction for plants that make long-distance freight shipments with their own fleet. This levy increases manufacturing costs, because it has to be reported as a fine and compensation. It is deducted in the form of a product-associated levy to the state budget. If the equipment normatives for vehicles are exceeded, the factories in the shipping industry have to remit, for example, in addition to the customary production fund levy, an additional and non-plannable levy of M 5,000 per ton of payload monthly to the state budget (see paragraph 6).

Another directive aims in the same direction: reducing the motor vehicle inventory by scrapping antiquated vehicles. According to this directive, " . . .vehicles whose fuel consumption can be shown at the monthly accounting to be in excess of 5 percent above the established factory norm . . ." are immediately subject to inspection. (Footnote 108) (Directive on Material Recognition of Workers for Conserving Fuel with Motor Vehicles in Road Haulage of 20 January 1983, Legal Gazette, I/1983, No 4, p 39) In practice this means scrapping those vehicles. The factories have to establish operating norms for fuel consumption for each vehicle. In addition to the consequences already mentioned, improving on these norms is linked with a material recognition of the driver. Since the prizes for saving fuel are extremely varied, interest among the drivers in saving fuel is probably limited.

IV. General Estimate

In 1981, high foreign trade deficits and growing economic expenditures to meet energy requirements caused the political leadership in the GDR to revoke the transportation policy concept that had been in force until then and to promulgate a complex program of transport intensification as part of the general intensification of the national economy.

What was understood by intensification of domestic freight transportation was not only better utilization of available production factors; it included a reduction of the economy's transportation costs, conserving substantial amounts of diesel fuel, restricting works-owned truck traffic (factory transport), gradually replacing diesel traction in railroad transportation and reducing long-distance truck haulage in favor of the railroad and/or inland shipping.

The intensification program affected all carriers and the entire industry that makes shipments. The complexity of the assignment and the harshness of the deadlines stood in crass contrast to existing conditions.

They were typified by deficits in investment in all areas, the dominance of motor transportation, defects in the transportation system network, electrification being behind schedule, defective technical and technological equipment, an inadequate information system on the part of the carriers, as well as a low level of equipment in transportation, handling and warehousing processes, inadequate packing, economically inefficient supply and delivery transport relations and much more.

How little long-term preparation was undertaken for the new transport strategy emerges from the fact that the need for it was not announced until after the process of creating combines in industry was already completed, and thus the future supply and delivery relations for the factories were already established.

Under these conditions--increased material shortages on the one hand and a complete lack of any prerequisites on the other--the objectives of the intensification program could not be achieved by economic means (shortage prices) alone, so the GDR political leadership applied administrative measures more strongly. Attempts are being and were made, by the allocation of quotas and elimination, to push through the newly defined transportation policy. Administrative intervention has already reached a point where it largely restricts the interests of those in the shipping industry and its ability to react.

On the other hand, it should not go unmentioned that the efforts to intensify all processes in the national economy (for example, reducing the material intensity of products) can also have positive effects on the intensification measures in transportation. But transportation--although it is the beneficiary--would not have to take responsibility for these effects.

If one evaluates the results so far from a quantitative point of view, the general commission given at the 10th SED Party Congress to reduce specific transportation costs has been carried out. (Footnote 109) (See Otto Arndt: "The Transportation Policy of the GDR," p 290) In 1984 specific transportation costs, which express the ratio between freight transportation performance and national income produced, were about 22 percent below the costs for 1980. (Footnote 110) (Statistical Yearbook of the GDR 1985, p 85) To this extent success can be attributed to the rigorous conservation policy aimed at reducing the scope of services in the transportation system. In comparison to the initial year, 1980, 145 million fewer tons were transported until 1984, a drop of 13 percent, while production output of the manufacturing economy climbed. The freight transportation performance saved came to 6,409 million ton/km, about 8 percent of the transportation performance of 1980. (Footnote 111) (See Tables 2 and 3)

However, it would be premature to claim to see progress in intensification in this development. Analysis of the individual carriers shows that the 145 million tons saved are almost identical with the figure by which factory transport was reduced. On the other hand, against the drop in the volume of shipments of 13 percent is the rise in capital assets of about 17 percent in Transportation, Post and Telecommunications and an increase in the number of employees. This comes out to an overall decline in productivity with expanded factors of production, which contradicts the claim of intensification.

The processes that have taken place in domestic transportation do not yet fulfil the criteria of intensive business practice. One part of the results that can be evaluated as positive, for example, the reduction of inflated transport needs on the part of the economy that ships, comes from the elimination of "home-made" system defects by means of altering the indicators for evaluating performance (net production) and reducing the supply of transportation.

Other things, such as the savings in liquid energy sources, either cannot be judged in their long-range effects or the results are being bought at the cost of disproportions and increased expenditures in other areas. There is a strong suspicion that the end result at the national level of conserving liquid energy sources--measured at national prices--does not cover the associated cost increases for individual industries under any circumstances. But counter-calculations of this type are ignored in an economy which counts its expenses within the country in domestic currency, but can only pay for imports with return supplies.

It cannot be overlooked that the growth in high-price goods that was aimed for --an intensification target of the processing industry--will not only be limited to the transportation system in the sense of more efficient transportation performance, but will impose growing demands of a high technical level on the production of the means of transportation and on an adequate handling technology. Without investment capital for the transportation system and for the shipping industry, the additional transport intensification measures needed are unrealizable.

In this evaluation of the intensification measures the consequences for the environment have been completely left out of consideration until now. There is no argument but that the advancement of electric traction in railroad freight haulage--in comparison to diesel traction--has reducted pollution on the immediate enviromnment by the side of the tracks. But the result of this intensification is certainly out of proportion to the environmental damage caused by the open-cast mining of brown coal and its being burned in thermal generating stations. Also left out of consideration in this survey is the transport required for the coal and the ash, which accumulates in no small amounts when generating electricity.

The overall assessment is that domestic freight transportation in the GDR has not yet produced the proof of intensive business practices. The only success achieved so far has been to load antiquated materiel to its limit and to tap into reserves intrinsic in the system. Additional permanent and lasting results in intensification can no longer be brought about without a substantial improvement in the quality of capital assets and without the expansion and modernization of buildings and plant.

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DOMESTIC ANIMAL CENSUS

AU031430 Bucharest SCINTEIA in Romanian 1 Feb 85 p 1

[Editorial: "Today the Domestic Animal Census Begins"]

[Text] As of today, 1 February, the domestic animal census begins in all localities. This is an action with great economic significance and is being carried out in order to acquire exact knowledge of the number of animals, according to species and age, possessed by agricultural units and private farms. All animal owners are called upon to assist the unfolding of this action, under the most favorable conditions. As is well known, the census gives the possibility to obtain detailed and complete information regarding the number of animals, poultry, and bee families existing at the date when the registration begins, that is, 1 February, at 0800. On this basis, the most appropriate measures will be taken regarding increasing the number of animals, ensuring fodder, and working out the entire set of technological and organizational measures designed to make a contribution to the more accelerated progress of the livestock sector. Among these measures, the ones referring to giving material support to the stock breeders so that they can fulfill their tasks of delivering the contracted animals to the state fund are very important.

In order to carry out the registration work under the most favorable conditions, thorough preparations have been made and an intensive activity of popularization has been carried out in order to acquaint all owners with their duties to declare correctly the number of animals they possess, thus easing the work of the census worker. As is well know, all those who do not declare the exact number of animals they possess are punished according to legal provisions.

The party bodies and organizations, the people's councils, and the specialized bodies have the duty and great responsibility to guide and closely assist the census commissions, so that they can carry out an entirely fruitful activity and can constantly be aware of the stage of the animal census.

[The following appeal is printed in a box at the end of the item.]

Agricultural Workers and Animal Owners!

Closely assist the activity of the teams which carry out the animal census by correctly declaring the number of livestock you posses; thus, you make your contribution to working out the measures that must be taken in order to develop the livestock sector and to fulfill the provisions included in the contract for delivery to the state fund and to the self-sufficiency fund!

/6662
CSO: 2020/86

BRIEFS

GEOLOGICAL RESEARCH FOR COAL--Bucharest AGERPRES 28/1/1986--In the last few years, geological research has intensified in Romania and new coal and oil shale resources have been tapped. Furthermore, studies have been conducted in the expansion of open-cast mining and the application of efficient and profitable technological and scientific solutions to extract coal from thin layers, pillars and less accessible despoits. The geological map of areas in the southern, central and eastern Carpathians, in the sub-Carpathians in Oltenia and Muntenia, in the western part of the Transylvanian depression, etc., has been sensibly changed. The productive collaboration between geologists and miners allowed for an effective passage to the exploitation of new deposits as early as the stage of geological tappings. New extraction units went on line at Timiseni-Pinoasa, Tismana, Poiana Cocoreni, etc., and new mining units were commissioned at Lupeni, Cimpa and in other areas of the Jiu Valley. With the exploitation of new coal and oil shale deposits new technologies have been expanded and units have been equipped with high-performance outfit. In the current five-year peiod, spaning 1986-1990, lignite and brown coal production will grow at a high rate to hit an annual 84-89-million-ton mark. [Text] [Bucharest AGERPRES in English 1212 GMT 28 Jan 86 AU] /6662

MERCHANT FLEET DEVELOPMENT--Romania's sea-going merchant fleet was recently equipped with three ships of various capacities and utilizations: the multipurpose cargo carrier "Posada" (15,000 dwt), general goods carrier "Nicoresti" (8,750 dwt), and the ore carrier "Baraolt" (65,000 dwt) built in the shipyards in Galati and Constanta. The first Romanian oil tanker (35,000 dwt) was launched from the Galati dockyards and other two ore carriers of 65,000 dwt are ready to go at sea from Constanta. The current capacity of Romania's merchant fleet--of more than 3.7 million dwt (Romania ranks tenth in the world from this point of view) is to be developed more in the ongoing five-year plan 1986-1990. In keeping with a special programme concerning the development and modernization of ship construction, the transport capacity of the Romanian sea-going merchant fleet will double over this interval. It will be mostly equipped with high complexity ships for specialized transport. [Text] [Bucharest AGERPRES in English 0910 GMT 6 Feb 86 AU] /6662

CSO: 2020/86

MILITARY INTERNATIONAL AFFAIRS

WARSAW PACT SMALL-CALIBER NAVAL ARTILLERY DESCRIBED

East Berlin VOLKSARMEE in German No 49, 1985 (signed to press 2 Dec 85) p 8

[Article by Commander H. Mehl: "Fully Automatic Naval Artillery"]

[Text] Surface vessels of the allied socialist fleets are equipped with fully automatic artillery of varying calibers to combat enemy air attack means and sea targets, as well as to provide fire support for sea landings. The artillery systems, which are almost without exception designed as on-deck assault guns, comprise an important component of the combat strength of the most varied types of vessels, in addition to available rockets.

Radar and Remote Control

It was possible to increase the firepower of naval artillery significantly because specialists had developed medium-caliber guns into fully automatic weapons and created multiple-barrel small-caliber guns. Furthermore, today all gun systems are equipped with radar fire control systems which have also significantly improved their accuracy, while taking various external ballistic factors into account. With respect to small-caliber guns with high rates of fire, however, visual aiming and firing processes have retained great significance, particularly since the fully automatic weapons are remotely controllable via so-called sighting columns equipped with extremely rapid electrohydraulic gun-laying drives. Frequently, several guns on one side of the ship or of the forward or aft regions are aimed and fired in a synchronized manner, thus achieving a high fire density. The necessity for the effective employment of small-caliber guns for close-in defense was adequately underscored by the events in the Falkland conflict of 1982. Thus, the British missile destroyer HMS Sheffield was hit by an air-to-ship AM-39 Exocet missile on 4 May 1982; during its approach, it was possible to make out and visually observe this missile for about 5 seconds. The HMS Sheffield, which was at the time the most modern missile destroyer in the British fleet, however, did not have any suitable artillery for close-in defense. After being hit, the vessel burned out completely and sank while under tow on 10 May 1982.

Cooling for Larger-Caliber Guns

Medium-caliber guns, from 76-mm through 130-mm, can today also fire bursts and, seen on an international scale, rates of fire from 40 to 70 rounds per minute are attained. Firing in bursts involving the above-named caliber weapons results in a high thermal stressing of the barrels. In order to keep this stress within tolerable limits, the fully automatic guns were equipped with the most varied cooling systems. Special fluids or cooling gases are used. As reserve cooling, ordinary seawater can be used in some cases provided by firefighting equipment. Retrocooling (heat evacuation) with respect to some gun models is accomplished via a permanent cooling mantle which, because of the barrel recoil, was equipped with a hose connection. With respect to most guns, the throughput or circulation cooling system is also fully automated.

Since very high rates of fire of small-caliber guns, amounting to between 2,000 and 3,000 rounds per minute, result in great thermal and mechanical stress with respect to the barrels, multiple-barrel so-called revolver cannon were developed. In these weapons, the bundle of barrels rotates during firing about its longitudinal axis. The barrel bundle itself is also enclosed in a mantle tube and is cooled.

Ammunition Supply

Ammunition for small-caliber guns is predominantly supplied via ammunition belts which house various types of shells in a predetermined sequence. The firing of the shells is handled electrically and requires only a few milliamperes of power. With guns of medium caliber, specially designed feeder systems provide shells from drum or cassette magazines which are, for the most part, located in the gun barbettes. Today, gun and barbette form a design unit which is mounted as a unit on the substructure of the ship. Electrical, electrohydraulic, or pneumatic auxiliary power for aiming drives and ammunition feeds are provided by special auxiliary aggregates or the on-board power net. The maintenance and upkeep of fully automatic guns is a very interesting and responsible activity. It requires a high degree of specialized knowledge, combined with great practical skills on the part of gunners and armorers.

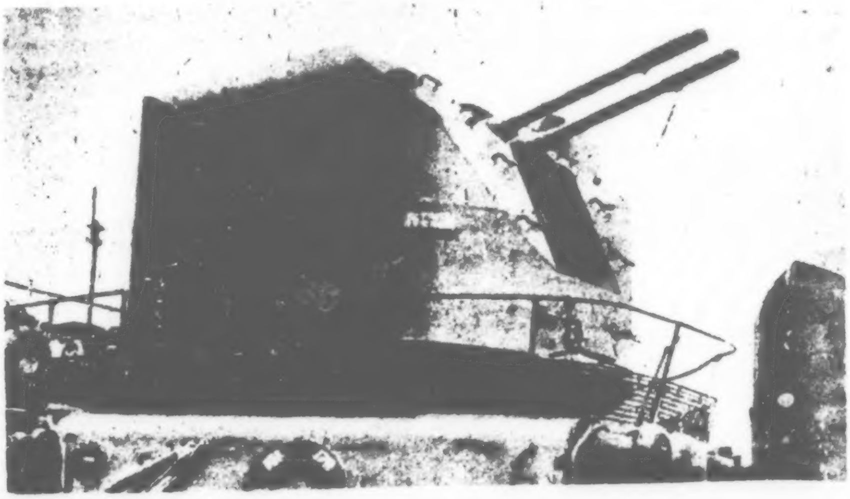

Fig. 1. 76-mm twin-turret gun on the Soviet missile cruiser Grosny.

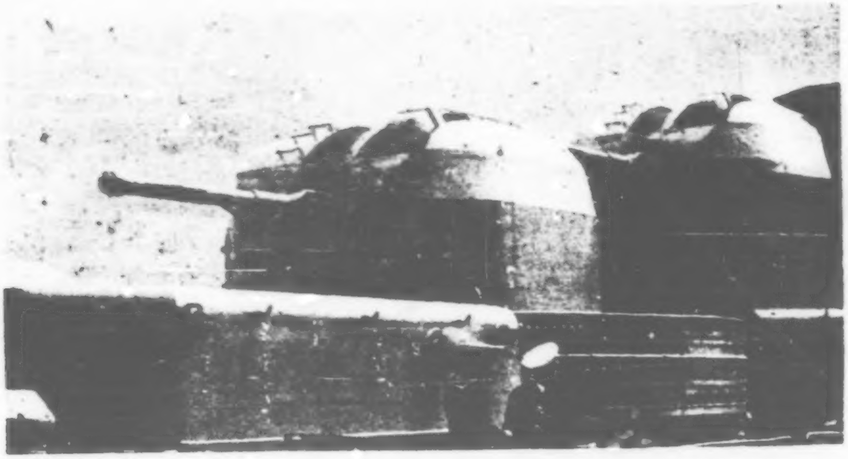

Fig. 2. Fully automatic 100-mm gun on the Soviet ASW vessel Neukrotimy.

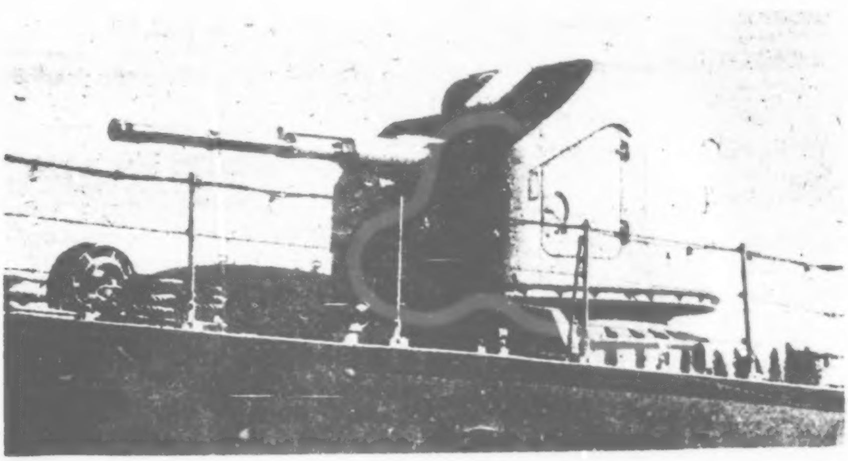

Fig. 2. Fully automatic 76-mm gun aboard the small Polish missile ship Hutnik.

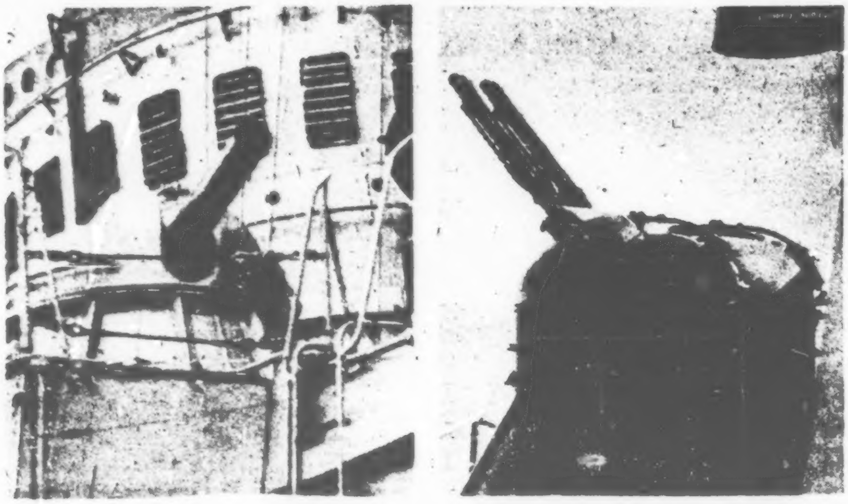

Fig. 4. a) Six-barrel 30-mm revolver cannon aboard the Soviet missile cruiser Grosny; b) 30-mm twin-turret gun aboard a landing craft of the East German Navy.

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REMOVAL OF TOXIC SUBSTANCES IN ARMED FORCES DETAILED

East Berlin MILITAERTECHNIK in German No 1, 1986 (signed to press 7 Nov 85) pp 21-22

[Article by G. Simon, graduate chemist: "Harmless Removal of Poisons"]

[Text] When the law governing poisons came into effect on 7 April 1977, its area of jurisdiction covering the harmless elimination of poisons was expanded. This took cognizance in this area of the need to protect the health of workers.

The harmless removal of no longer useful toxic substances is captured in the Toxic Substance Law [1], Section 4, Paragraph 2, and Section 10, as well as in the Sixth Implementing Decree Pertaining to the State Cultural Law [2]. The Sixth Implementing Decree generally regulates the harmless elimination of no longer usable waste products and includes toxic substances.

According to the above-mentioned implementing decree, unusable waste products include solid, muddy, or liquid wastes, as well as residues, for which there are no scientific, technical, or economic prerequisites with respect to their usefulness in the national economy as secondary raw materials at the time of their occurrence.

No longer usable waste products are:

a) toxic wastes,

b) other harmful wastes,

c) waste materials containing little or no harmful products.

In this contribution only the two first-named categories of waste products will be considered. Toxic waste products include those products containing toxins in Categories 1 or 2 in a concentration which makes them poisons in the spirit of the poison law. Other waste products containing harmful substances are waste products which are listed in the List of Harmful Substances [3] or poisons of Categories 1 or 2 in only slight concentrations so that they are not considered to be poisons in the spirit of the poison law. Examples of toxic waste products are listed in Table 1.

Table 1. Toxic Waste Products (Examples)

Waste Product	Incidence
Old acids	From batteries, used metal surface treatment acids, laboratory acids
Old alkalies	From printing plants
Cyanide	From metal surface treatment
Insecticides	From insecticide applications
Methanol waters	From laboratories and antifreeze
Tetrachlormethane	From degreasing operations

1. Responsible for Harmless Elimination

The harmless elimination of toxic waste products must be demanded of those official locations which generate them. Responsible officials are the chiefs/ commanders, directors, as well as other persons of equal rank. As a rule, they will task the individual responsible for toxic substances with the safe removal of these substances.

Toxic waste products will only be eliminated under consideration of provisions of the Environmental Protection Law. The endangering of life or health of people, as well as the damaging of the animal or plant environment, must be absolutely excluded. National economic damage is also to be avoided, as is a deterioration of soil, water, or the air. The harmless elimination of toxic waste products is only permitted to be accomplished if the responsible state organizations have approved the application.

2. On the Application and Approval Procedure

The application for the harmless elimination of toxic waste products is to be submitted to the council of the bezirk (specifically to the specialist for secondary raw material economy) which has jurisdiction over the unit location. Applications are only processed if proof is provided that the waste product cannot be used as secondary raw material at the time of the application. Proof constitutes a position adopted by the organs superior to the applicant or by an opinion on the part of one of the expert opinion facilities listed in Table 2.

In order to be able to judge the possibility of rendering the waste products into useful materials, the applicant must provide all necessary documentation and analytical data and, where necessary, comply with security provisions protecting secrets. The specialist for secondary raw material economy at the bezirk council decides on the permit to be issued for the harmless removal of useless waste products and passes the aplications on to the appropriate officer responsible for issuing permits. Toxic and other harmful waste products are the responsibility of specialist for environmental protection and water management at the council of the bezirk. This officer issues the permit and, at the same time, stipulates the type of elimination as well as the elimination facility to be used. Variations of harmless elimination of toxic waste products are shown in Figure 1.

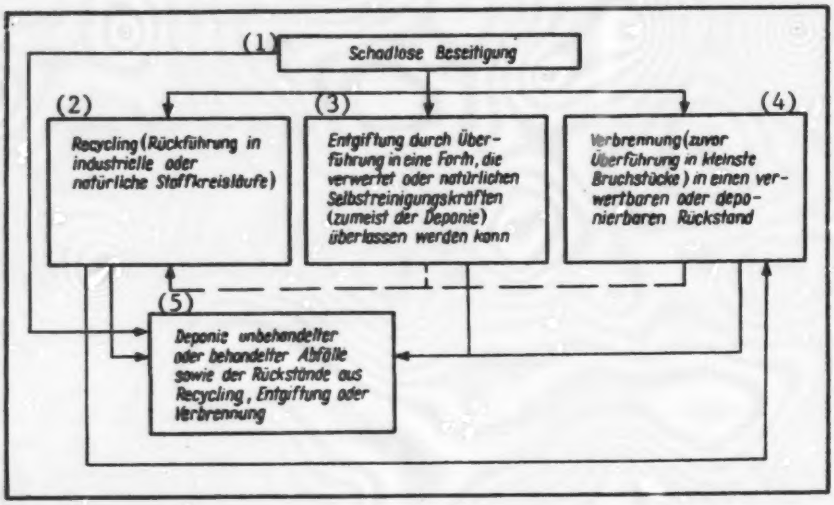
(1)
Schadlose Beseitigung
(2)
Recycling (Rückführung in industrielle oder natürliche Stoffkreisläufe)
(3)
Entgiftung durch Überführung in eine Form, die verwertet oder natürlichen Selbstreinigungskräften (zumeist der Deponie) überlassen werden kann
(4)
Verbrennung (zuvor Überführung in kleinste Bruchstücke) in einen verwertbaren oder deponierbaren Rückstand
(5)
Deponie unbehandelter oder behandelter Abfälle sowie der Rückstände aus Recycling, Entgiftung oder Verbrennung

Fig. 1. Variations of harmless elimination of toxic waste products.

Key:
1. Harmless elimination
2. Recycling (returning to industrial or natural material circulation)
3. Detoxification through transposition into a form which can be utilized or can be left to the natural forces of self-cleaning (mostly to the forces of deposit-settlement)
4. Combustion (preceded by breaking up into the smallest fragments) to a reusable or depositable residue
5. Deposits of untreated or treated waste products, as well as residues from recycling, detoxification, or combustion

Table 2. Facilities Authorized To Issue Opinions on Waste Products [4]

Type of Waste Product	Facility Issuing an Opinion
Used solid salts	VEB Haertolwerke, Magdeburg
Mercury-containing wastes	VEB Chemical Works, Buna
Overlaid PUR components	VEB Synthesewerk, Schwarzheide
Mineral oil-containing residues	VEB Hydrierwerk, Zeltz
Used chemicals	VEB Laborchemie, Apolda
Residues from pharmaceutical production	VEB Pharmazeutisches Kombinat GERMED, home enterprise, Dresden
Arsenic-containing wastes	VEB Bergbau- und Huettenkombniat "Albert Funk," Freiberg
Toxic paint and solvent residues	VEB Druckfarben- und Lederfarbenfabrik, Halle

With respect to the National People's Army and the Border Guard of the GDR, a transformation into nontoxic substances or less-toxic solutions is practically only applicable for organic solvents and acids and alkalies. Organic solvents can be eliminated by combustion while adhering to work and environmental protection provisions; acids and alkalies can be eliminated by neutralization. A special problem is presented by the detoxification of small quantities of toxic by-products in laboratories. The method listed in the beginning of this article--in other words, the application for the harmless elimination of the substances submitted to the council of the bezirk, is hardly practicable for eliminating laboratory wastes. That is why Table 3 contains a few examples for detoxification of laboratory chemicals.

Table 3. Detoxification/Destruction of Laboratory Chemicals [6]

Chemical	Procedure for Detoxification/Destruction
Active chlorine compounds	Treat with $Na_2S_2O_3$ solutions (0.3 kg $Na_2S_2O_3$ per 1 kg of chloride of lime)
Alkalies, ammonium water	Neutralize with 6 M HCl and dump into sewer
Chlorosulphonic acid	While stirring in ice water drops, neutralize with NaOH and flush into the sewer with ample water
Acids	Cover with calcinated soda/slaked lime (1:1), mix with water and thin down; in the case of HF, immobilize with lime at a pH of 12 to form CaF_2 (polyethylene bottle should be used as reactor vessel!); larger quantities of phosphoric acid should be precipitated with the use of iron or aluminum salts into phosphate and deposited
Aldehyde	Burn in a solution (benzine, ethanol), methanol can be oxidized into methane acid with the use of water and can be dumped into the sewer system after neutralization, accompanied by plenty of water
Alcohols	Should be burned separately or in a solvent
Aliphatic amines	Cover with $NaHCO_3$, spray with a little water and flush into the sewer system with ample water
Liquid amines	Convert to a salt with $NaHSO_4$ and then burn
Halogen hydrocarbons	Mix with sand/calcined soda (9:1) or $NaHCO_3$ (in the case of fluoride compounds add slaked lime) and burn in the presence of paper, wood, or a solvent (caution: development of phosgene is possible!)
Chlorine	Introduce into a diluted alkaline solution and remove the appropriate hypochlorite through the use of $Na_2S_2O_3$ solution

If toxic waste products are eliminated in their native state, a destruction commission, headed by the toxic protection referant/poison official, is to be established. Perfect records are to be kept with regard to the occurrence and disposal of toxic waste products by type, composition, and quantity, and this record is to be kept, along with the proof documentation in accordance with military regulations governing toxic substances.

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RELUCTANCE FOUND IN USING SIMULATORS, TRAINING DEVICES

Use of APC Trainer

East Berlin VOLKSARMEE in German No 37, 1985 (signed to press 9 Sep 85) p 4

[Article by Capt Rolf Basan; first paragraph is VOLKSARMEE introduction]

[Text] Following an exchange of experiences with advanced students, stable and repeatable results in firing training using trainers and simulators are guaranteed. Communists discovered additional reserves at the course in preparation for the party congress. VOLKSARMEE in the "Max Roscher" Infantry Regiment on the trail of a response to the speech made by Erich Honecker during his visit to the troops.

A promise is a promise! The many-voiced vernacular uses but three words to characterize this catchy expression. Now: no one needs to remind us of the promise which we made in VOLKSARMEE, No 14, 1985, on p 5. Under the headline "Trainers on Teeter-Totters and Under Tarpaulins" VOLKSARMEE dealt with the utilization of APC trainers. Good examples were obtained from the "Paul Hegenbart" Infantry Regiment which made the utility of these devices clear. There, they had a training complex mounted on tilting bars and it was being intensively utilized. Things were different in the "Max Roscher" Regiment because....

VOLKSARMEE had promised to ascertain during the second half of the training year that these APC trainers would not stand idle. And Comrade Erich Honecker was the one who, recently, during his visit with the troops, referred to the fact that the employment of training devices and simulators produced higher training results and, at the same time, affected savings in material resources. This is the thought that we wanted to pursue.

No Sooner Said Than Done!

The fire control tower of the firing range displayed a "red" signal. Staff Sergeant Major Werner Sanner is standing at the control console. This is the third training run for APC gunners of the "Huke" Infantry Company. Of course, they are not from the training facility. Two APC's are moving slowly toward the target area and are rocking gently. "During the third practice run, tank targets are combated with ball ammunition. This is not possible with trainers." SSgt Maj Sanner, who provides this information, turns out to be a knowledgeable conversation partner. Last December he had brought the three simulators from the producing enterprise. Even then the chief mechanic for APC turret armaments at the "Beckmann" unit had been enthusiastic about the many advantages which were listed in the appropriate literature: Three combat training vehicles can be saved. The gunners and guided missile controllers practice all activities involving weapons, targets, and observation instruments as well as those pertaining to guns and missile guidance systems in the actual APC. And: Trainers can observe all phases of activities in the turret and can train several soldiers at once.

Naturally, such a simulator does not completely replace an APC. But no one is demanding that. Simulators are primarily effective training aids. They serve to provide effective and intensive firing training. This is the argument used by SSgt Maj Sanner with superior officers and in the membership meetings of the SED basic organization. The training complex should be made usable for training purposes quickly. But there were questions: Who would be responsible for the maintenance and repair of the trainer? Who "would be wearing the hat" if something went wrong? Other problems turned up and were clarified through personal engagement and in the collective. (More on this can be found in our interview with Lieutenant Colonel Wolfgang Schneider.)

In the "Anton Saefkow" Motorized Infantry Regiment the training officers from the "Max Roscher" Regiment were able to observe a training complex in action. They collected valuable experiences, received answers to their many questions. But simple "copying" was not possible. An example: In the "Anton Saefkow" Regiment trainers were assigned to three units. Each unit was responsible for one trainer and used it to train its gunners and missile controllers. The advantage: clear relationships with respect to maintenance and repair. Disadvantage: If a unit would like to use all three simulators at the same time, it must first reach the appropriate agreements with its neighbors. In the "Max Roscher" Regiment things were different. There, one soldier assigned to the training facility is responsible for the entire training complex. Before each firing training episode, Private Michael Felsch turns over the simulators to whoever is responsible and, with them, checks the employment readiness of the simulators following the training session. "There can be no complaints," we have learned from him and, furthermore, we found out that during the past 4 months barely a day has gone by that the training complex has not been utilized. And there have been no malfunctions of the various modules. The simulators are said to be robust and very reliable.

This is pleasing information. The training of gunners and guided missile controllers began on simulators immediately following the time the training facility was provided with equipment. The responsible comrades took their promises very seriously and fulfilled them.

Good Simulators--Good Training?

Once more, a run of troops has returned from firing exercises. Corporal Frank Eisenblaetter passes a round out of the turret hatch. He had hit both tanks on the first try. He also fired at machine gun targets, expending less ammunition than expected. Ideal conditions? Lucky? "Neither, nor," he replied and smiled because he obviously did not owe his success to coincidence. On the contrary: "Strong wind gusts did not make it easy for me to compute the lead angle magnitudes. But what has been learned has been learned. We underwent frequent firing training using APC simulators; we also used them to fire our practice rounds. This is where I learned everything in order to be able to combat any target with the weapons of the armored personnel carrier rapidly and certain of achieving a hit." Major Ulrich Pekruhl was responsible for the training of gunners and guided missile controllers of the "Beckmann" unit and can confirm this. "The simulators are excellent devices. Our training officers are better able to recognize the individual weaknesses of every soldier through expanded control possibilities and can influence them appropriately.

However, the decisive point is, as always, the relationship between man and equipment. The APC simulators are not training automatons which can produce success in and of themselves. Their effectivity is determined by the abilities of the training officer. That is why training officers underwent a methodological training course of demonstrations on how the simulators can be effectively used. Form of training using the simulator complex which the comrades and the "Max Roscher" Regiment have dubbed "fire control" has proven particularly effective. In this problem each gunner/guided missile controller must independently recognize an undetermined number of targets. Small ones and large ones. While stationary and while moving. Near and far away. This demands the highest amount of concentration and the correct use of aiming and observation instruments. When a target is identified, the preliminary data for firing must be determined and reported. Finally, the target is aimed at and combated. "This is the way in which the simulators help us train the soldiers for the requirements of combat," says SSgt Maj Sanner. Good and very good results in all training exercises during this training half-year prove him to be right. We were able to convince ourselves of this also on this very day. All soldiers fulfilled the conditions of the third training cycle and thus proved the success of the effective and variation-rich training which can be facilitated with the use of APC simulator complexes. Does this say everything there is to be said? Certainly not. VOLKSARMEE will continue to pursue the question as to how trainers and simulators and other training aids, which we can find in all troop components, are proving effective.

A promise is a promise!

Unit Commander Interview

East Berlin VOLKSARMEE in German No 37, 1985 (signed to press 9 Sep 85) p 4

[Interview with Lt Col Wolfgang Schneider, commandant of the "Max Roscher" Motorized Infantry Regiment, by Lt Lutz Panhans; date and place not given]

[Text] Four questions addressed to Lieutenant Colonel Wolfgang Schneider, commandant of the "Max Roscher" Motorized Infantry Regiment, on the quest for more intensive and more effective training using simulators.

[Question] Comrade lieutenant colonel, what reactions were caused by the critical remarks published in VOLKSARMEE, No 14, 1985, about the unutilized APC simulators in your area of responsibility?

[Answer] In all honesty, it was unpleasant for us to be standing here as guilty parties in public. We do not normally have to hide our light under a bushel, so to speak. It also bothered us because, as could be seen from the contribution, the use of APC simulators, for example, had already been proven in the "Paul Hegenbart" troop component. In short, we immediately activated a study group, consisting of officers of the regimental staff and of the battalions responsible for the training of gunners and missile controllers. They were expected to study experiences which had already been made on the spot. Immediately after their return and after the training facility was equipped, the APC simulator complex went into operation.

[Question] What was the cause for this follow-up move in your troop component?

[Answer] Well, most likely in the old experiences which say that nothing ever happens on its own volition. Departmental thinking hampered some of those responsible in clarifying the question as to who would be responsible for the activation and maintenance of the APC simulators. The manufacturer had provided such detailed instructions which, in principle, excluded all doubts. In order not to create any additional administrative barriers, the communists in the SED basic organization joined the responsible training officers in order to remove all obstacles in the path of constructive training. What was particularly useful was the pressure by such comrades as Lieutenant Colonel Bodo Beckmann and Staff Sergeant Major Werner Sanner.

[Question] What first experiences do you see in the application of APC simulators?

[Answer] Some are pretty obvious. Since all preparatory training for the second and third training cycle can be accomplished under realistic conditions with turret machine guns using the simulator and, thus, the approach by real APC equipment is obviated, the savings in motor fuel are enormous. Added to this is the gaining of time and efficiency. Because the training officer can exercise immediate control, subjective evaluations are excluded and mistakes are checked immediately. Combat station training for all elements can be included, as can the overcoming of psychological inhibition thresholds involved in servicing the electric loading devices. Furthermore, available time for those responsible and for APC crews is increased with the elimination of time-consuming preparation and maintenance of the equipment. Also, the responsibility of one soldier for the entire training complex has proven to be effective. However, reserves are even now indicated, such as those identified during the conversations on preparations for the 11th party congress.

[Question] What are these?

[Answer] For example, training with respect to fire control for the entire platoon is conceivable provided the APC simulators are networked. There are also considerations indicating the possibility of gun-aiming training on the move. A supplemental instrument, which would be useful for this purpose, was discovered by us at an innovator fair of the military formation. We absolutely wish to devote more attention also to performance comparisons between units using simulator complexes. In conclusion, it can be said that: for the time being, there is no one who is not convinced of the advantages of APC simulators.

VOLKSARMEE Commentary

East Berlin VOLKSARMEE in German No 37, 1985 (signed to press 9 Sep 85) p 4

[Commentary by M.V.: "All Is Well That Ends Well?"]

[Text] A promise is a promise. This is how the above investigation regarding the use of APC simulators begins. Who does not know how difficult it sometimes is to actually implement this lofty word? That was the reason why VOLKSARMEE, as promised, granted with some mixed feelings, once more visited the "Max Roscher" Motorized Infantry Regiment. However, fortuitously, more had happened there in the meantime than the overdue activation of simulators. Progress was made, in the meantime, also with respect to military-economic thinking and action. And the communists, as can be read in the interview with the commander--were in the forefront. They removed barriers which had been considered to be invincible. But does this really mean that all is well that ends well?

Not at all. Because a once-attained good conscience does not, by far, make a permanent headrest. Those who were still behind 6 months ago and were studying the experiences of others tend to prove this. Today, they set the pace, they have recognized that there can be no limits to combat readiness, and they even see reserves.

For example, fire control for a platoon following networking of APC trainers or performance comparisons between units. But, in view of the sharpened imperialist confrontation course, can it be left to VOLKSARMEE to identify such good experiences and to publicize them? Or must study groups be activated in every area for this purpose? Do we leave it to chance whether a supplemental instrument, which is usable for gunner training on the move, is discovered at the innovator fair of the major military unit and is then also utilized? Or does each regiment invent its own?

During his visit to the Air Force/Air Defense Command, Erich Honecker said he considered the use of training devices and simulators to be very troop-oriented and he stressed that still better training results and material resource savings can be achieved in this manner. The general secretary of the Central Committee of the SED said that this contributes toward realizing comprehensive intensification, even in the military sector. VOLKSARMEE believes that intensification should include the exchange of the best experiences in a goal-oriented manner and continuously, even during service discussions among commanders. This is the cheapest investment favoring a maximum growth in combat strength and combat readiness in line with party congress goals.

The good final result of our investigation is a positive matter. However, this does not mean that everything is well. There are many locations where much can be done better. Consequently, VOLKSARMEE is far from satisfied and will also check in the future whether trainers and simulators are utilized effectively. After all, what is promised remains promised for the long pull.

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CSO: 2300/170

ACTIVITIES, ACHIEVEMENTS OF CHEMICAL OFFICERS' SCHOOL

Warsaw ZOLNIERZ POLSKI in Polish No 46, 17 Nov 85 p 10

/Article by Leszek Ziolo: "In the Military Chemists' Workshops: Protecting Nature"/

/Text/ The Higher Officer School of Chemical Warfare /WSOWChem/ in Cracow is not just another educational center for young officer training. It is a breeding ground of interesting and original conceptions, inventions, and improvements, which provide for a valuable contribution by the military academy to the development of chemical sciences. Problems connected with defense and with protection against various kinds of contamination obviously prevail. In this area the Cracow officers have clocked in quite a number of major achievements.

The second mainstream of scientific research concerns qualifying papers, that is to say, projects undertaken towards dissertations which qualify /cadets/ for master, doctor, or assistant-professor degrees. It is not just a pursuit of "art for art's sake": solutions of theoretical problems promote practical solutions and provide a base for studies implemented not just by the military.

Finally, the third group of research includes papers which meet the needs of the national economy. They are undertaken to orders by the interested enterprises. Such undertakings require extensive knowledge in the area of chemistry and kindred disciplines, as well as specialized equipment and laboratories. In case of disasters, self-control and aptitude for swift decisionmaking are also necessary. In situations like these, there is no time for lengthy deliberations and experiments, decision must be made at once, or at worst following a few tests.

That was just what happened following a breakdown which took place 3 years ago at Dobczyce close to the Raba River. The outflow of toxic substances and detergents near the place where the Oil and Gas Exploration Company was engaged in research, posed a major threat to Cracow's drinking water intake. The situation deteriorated hourly. Finally it was decided to call on military chemists for help. Lt Col Marian Lodowski decided to neutralize the leak through sorption. It turned out to be the right decision.

Close to Problems of the Natural Environment

"The Dobczyce case was discussed at length throughout the region, and became well known in the chemists' community," says Lt Col Dr Stanislaw Warkocki, head of the chair of technical sciences at the WSOWChem. "Even earlier our teams had undertaken similar efforts, but saving Raba from biological death prompted various workplaces, unable to cope with chemical problems on their own, to call us for assistance. Of course, we could not oblige in every case. We preferred to engage in efforts which in one way or another might have enhanced our defense-oriented experience, or which might give our cadets an opportunity to do work liable to enrich their knowledge.

"We have also been involved in efforts which serve to protect natural environment," the colonel continues. "Not long ago a team of military experts prepared a system which prevents breakdowns of the chlorinating facilities used at the Celuloza plants in Wloclawek. Well, in case of a chlorine leak, such a disaster may trigger terrible consequences. We have therefore started strenuous, labor-intensive research, which allowed us to identify the most accident-prone points. We designed an electronic system for measuring contamination, and prepared a detailed contingency plan for rescue operations. According to our instruction, scores of special sensors were installed throughout the factory. One can therefore say that Celuloza achieved the best possible safety precautions. We have profited as well, since it was a rare opportunity to use a whole set of experiments with chlorine and its componds, and to look for the best ways and means to neutralize the gas. In addition, our school received a half million zlotys to buy teaching and laboratory aids."

Another example, this time from Cracow. Thanks to research undertaken by the WSOWChem, several local enterprises have introduced measures to remove plating cyanides.

Cyanides appear wherever metal is being plated. Those are strong poisons, their solutions dissolve gold and silver. Such dangerous chemical compounds, indispensable in modern industry, are--when disposed of as waste--never quite free of toxic properties. The Cracow chemists managed to invent a way for effective removal of cyanides from the environment. The method designed in the WSOWChem has been implemented since in the Szatkowski plants and in Alwernia; recently the Andrychow Compression Engines Manufacturing Factory has used it as well. Nothing prevents other enterprises from introducing similar infallible solutions.

How to Dispose of Heavy Metals

A breakthrough invention made at the Cracow military academy still awaits patents and distribution. Its authors allowed us to reveal some of their scientific secrets, and thus to become the first ones to disclose how to deal with heavy metaLs.

The problem, undertaken and successfully solved by a team led by Maj Dr Edward Brzezicki, concerned the technology of disposal of heavy metal salts from industrial waste. Let us explain it one step at a time.

Technology indicates something, which had not been there originally, but was created thanks to unflagging efforts of the entire team. Technology means therefore the way to do things. Military chemists have found the way.

To continue: heavy metal salts. Those are chemical compounds which consist of metals such as, for instance, cadmium, chromium, zinc, or lead. Each one is most harmful for people, animals, and plants. One of them, lead, has even been blamed of having brought about the decline of ancient Romans. Appalling amounts of lead are being found in their bones--because of their having used dishes and water pipes made of this metal. Because of lead, successive generations had degenerated, and when healthy peoples from the north threatened the city of Romulus, the Romans, "stuffed" with lead, were unable to mount an effective defense.

While it is true that we do not use leaden dishes, lead appears in automobile combustion fumes, in the smoke of power stations, and in industrial waste. Let us hope that the latter source of heavy metals pollution will soon be neutralized, thanks to the method worked out by Maj Brzezicki and his aides.

"I was glad to approve the suggestion to look for means of effective disposal of heavy metals from the environment," says Maj Brzezicki. "It is a major satisfaction for anyone who dabbles in science to be able to serve nature and the man's natural environment. For me personally it was a particularly close subject, since the military has taught me to care for the natural environment. I remember exercises at the firing range, when I was still wearing the cadet's uniform of the Military Technical Academy. We were most careful to leave the woods in the same condition we had found them, and not to cut a single branch without good reason. I have retained this respect for nature."

To come back to the major's research: Numerous factories use heavy metal salts in production, or else turn them out as by-products. Those salts, as waste, reach drains and purification plants.

None of the methods actually used guarantees total elimination of such salts. They are being more and more diluted, more and more dissolved, until they reach a degree of concentration which is no longer a health hazard; unfortunately, they have the nasty propensity for secondary cumulation. Moreover, how long can you go on diluting them?

"Our method, in a nutshell, consisted of finding an absorbent which thoroughly gathers heavy metal salts," explains Maj Brzezicki. "Absorbent is a substance on whose surface particles of another substance gather. In our case, such 'other substances' meant heavy metal salts. We had to find out a compound which would attract heavy metal salts from the mass of waste, like a magnet which attracts file dust. After protracted experiments, which lasted for many months, after having tested thousands of substances in our laboratories, we finally found such an ideal absorbent. Not expensive, easily accessible, and perfectly absorbing the most dangerous pollutants. Now the major effort of our entire team should soon be crowned by patents."

Military chemists tested the new absorbents in the sewage-clearing plants of the Cracow Communication Equipment Factory. The results allow for optimism. Let us also add that, while testing the absorbing properties, they have found many interesting substances which might be successfully used to neutralize lethal chemical weapons.

Phials With a Mysterious Substance

Col Warkocki has no doubts that the technology designed by his subordinates will find a lot of interest in the industry and among "environmentalists." There are sure to be more parties interested in cooperation, and orders will keep coming. Only a part of them may be fulfilled.

During our conversation the subject of accidents and breakdowns keeps recurring.

"We mentioned Dobczyce," recalls the colonel. "That was a natural disaster, but quite a different event recently took place near Tarnow, where human carelessness was to blame."

As it happened, a tank with 18,000 liters of concentrated muristic acid, started on a long journey. The vehicle with its dangerous load had no pilot, and what was worse, the driver had no idea what he was hauling! Unfortunately, at a hair-pin bend the tank overturned and fell into a ditch. The driver called for help. A tractor arrived and tried to extricate the vehicle, using a rope fixed to a valve. The valve gave up and muristic acid started to leak out in steaming fumes, filling the ditch and covering the roadway. Firefighters and police were alerted. Somehow, somebody called the WSOWChem. A team headed by Maj Brzezicki immediately arrived at the site. They managed to stop the leaking acid, and chemists then neutralized the spillage. But what might have happended, had all of it spilled over the fields? The whole area might have been lost to man for many years to come.

Chemists are being approached by people asking for expertise or for disposal of substances of unknown origin. The National Museum, for instance, asked for neutralization of arsenic, mercury chloride, phenol, and "one-liter containers of unknown liquid." One cannot refuse, but first it had to be ascertained through tests what this "unknown liquid" was all about.

Once, the major was woken up in the middle of the night. Some mysterious phials, labeled by a death's-head, had been found in an attic. No one was brave enough to dispose of them. The major not only took them away, but submitted them to meticulous tests, which revealed that it was muristic acid, used in wartime to start fire extinguishers.

One could recall many other tales about various achievements of military chemists, about their generosity and mastery of their trade, about their inventions and ideas which serve the economy, nature, and society. They themselves regard their contribution to the environment as something very natural and very necessary.

12485/12276
CSO: 2600/211

DEVELOPMENT OF MILITARY SOCIAL SCIENCES NOTED

Warsaw ZOLNIERZ WOLNOSCI in Polish 18 Dec 85 p 3

/Interview by Lt Jan Borkowski with Prof Col Stanislaw Jozef Sokolowski: "The Rank of Social Sciences"; date and place not specified/

/Text/ Col Stanislaw Jozef Sokolowski, professor and cerified doctor, is the commanding officer of the Educational Studies Department, at the Feliks Dzherzhinskiye Military Political Academy. His research and teaching activities deal with problems of logics and philosophical methodology of concern to the military. Among others, he published: "Logics in Command and Management" (1972); "Decision and Action" (1975); "Philosophical Problems of Military Social Sciences" (1981).

Lt Borkowski: One can probably accept the following statement: Civilization breeds growing complexities in human life, as well as in the acts of individuals and human collectives.

/Answer/ Yes, that observation is not only logically sound, but--what is more important--actually relevant and significant. The evolution of civilization does indeed shape in various ways the contemporary human condition and man's individuality, as well as the way he participates in ongoing sociopolitical, economic, and cultural processes. The most essential point here concerns, in my view, the dynamic and the range of transformations usually described as the civilization metamorphoses. In this case we have in mind changes in areas such as economics, technical progress, technology, communication and information, as well as various stages of organizational activiites. The changes are multifaceted, mutually interdependent, and their accuracy and directions pose problems which are not just--or even not mainly--technological or organizational, but social and human ones. This happens because of the danger of ignoring or neglecting the role of man as the substance of the civilization processes, that is to say, of man as the supreme value; the point has been most explicitly made, for instance, in the draft program of the CPSU, as well as in the draft program submitted to the PZPR 10th Congress. The socialist educational system pays heed to this problem, and suggestions for its solution can be found in the party's programmatic documents.

/Question/ In W. Szewczuk's book, "Psychology in the Service of Life," one finds the following statement: "At the turn of the 19th and 20th centuries, when psychology was becoming a science, G. Heymans, a Dutch psychologist, predicted that after a century of accomplishments in the natural sciences and in the ensuing technology, what lied ahead was a century of hegemony of social sciences, with psychology as their vanguard." I do not wish to detract from the enormous achievements of natural and technical sciences, but I think G. Heymans was not mistaken in his forecast.

/Answer/ Yes, the rank of social sciences has indeed gone up for several reasons. Without undertaking a broader analysis of this interesting, but at the same time complicated, problem, I would like to point out that one of those reasons derives from the earlier mentioned problems of civilization. Social and liberal sciences are the ones destined to set out proper diagnoses and prognoses concerning the condition of the contemporary man, as well as to suggest actions whose implementation might bring its expected and desirable transformation. In other words, social sciences should suggest and justify directions and dynamics of social development and civilization, bound to strengthen the role of man as the substance, his supreme role in the general development of civilization.

/Question/ Professor, in the October issue of WOJSKO LUDOWE you wrote in an article, "The Subject of Their Research: The Military Community:" "Science is one of the elementary premises for actual and organizational improvement of military practice. What criteria do you use to define "science?"

/Answer/ The notion of science and its understanding are most complicated issues. To put it in a most general way, one can claim that science is a system of statements and hypotheses, methodologically verified, and socially and cognitively significant. Obviously that is not a definition of science, but only a suggestion for its interpretation. In social sciences, for instance, both interpretative and evaluative theses are relevant, that is to say, the axiological function is also important in some areas of contemporary science. What is practically significant, concerns the cognitive and the social functions of science, including its cultural and praxeological functions as well. The latter one signifies that science contributes to the improvement of man's actions, to the growth of their effectiveness and efficiency.

/Question/ Military social sciences emerged as a branch of research and teaching disciplines, and took shape following the Second Congress of Polish Science. From the point of view of the above mentioned criteria, how could one briefly rate their accomplishments?

/Answer/ Military social sciences are one of the branches of contemporary liberal sciences, and whatever justifies their separate treatment within other social disciplines, concerns mainly the subject matter of their research, namely the military community. Within these disciplines problems are being formulated, which deal with military life, with educational processes, as well as with party and political training activities in the armed forces.

/Question/ What subjects do military social sciences include?

/Answer/ These sciences include, for instance, disciplines such as military pedagogy, psychology and sociology of the military, or theory and methodology of party and political activities. Historical and economic disciplines, such as defense economics, also have their place among them. These disciplines are just examples, since full classification of such sciences, which after all are just parts of the Marxist-Leninist military science, can be found in appropriate specialized textbooks.

/Question/ The methodology of military social research takes a special place in the research projects undertaken inside the armed forces. Why are the methodological problems of such significance?

/Answer/ The significance of methodological problems is closely linked to the role science, including social sciences, plays in the armed forces. The effectiveness of these disciplines depends clearly on the degree to which they might be able to reflect genuine problems of military life. Relevant diagnosis of such problems, as well as their effective solution, would be possible only if we had appropriate methodology at our disposal. Hence the importance of methodological reflexion and culture in research and in educational activity in the military. I would like to say with utmost satisfaction that this point of view has been fully approved by the proper command authorities in the military; this makes possible the propagation of methodological knowledge and culture in the main departments of military education.

/Interviewer/ Thank you for the interview.

12485/12276
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BRIEFS

GDR ARMY DELEGATION VISITS--The delegation of the Main Political Administration of the GDR National People's Army, which visited Poland on 22 January under General Lieutenant Horst Bruener, was received by PZPR Central Committee Secretary Jozef Barula and by General of Division Tadeusz Szacilo, chief of the Main Political Administration of the Polish Armed Forces, who informed his guests about ideological and educational work among soldiers. "The sides exchanged information on party political work in their socialist armies and signed a cooperation plan for 1986." [Summary] [Warsaw ZOLNIERZ WOLNOSCI in Polish 23 Jan 86 p 1 AU] /12913

ARMY CONFERENCE ON YOUTH--The patriotic and defense training of youth is our common goal. This thought was in evidence at a meeting held at the Silesian Military District Club in Wroclaw which was attended by military district commanders and leadership cadres from voivodship committees of the Union of Polish Socialist Youth located in the voivodships in which units and institutions of the Silesian Military District are based. The meeting was attended by General of Brigades Tadeusz Kojder, deputy chief of the Main Political Administration of the Polish Armed Forces; Andrzej Kozlowski, a secretary of the executive committee of the Union of Polish Socialist Youth; and Captain Zbigniew Ciereszko, chairman of the Polish Army Youth Council. [Summary] [Warsaw ZOLNIERZ WOLNOSCI in Polish 4 Feb 86 pp 1, 8 AU] /12913

CSO: 2600/264

ROMANIA: U.S. HISTORIAN'S BOOK ON TRANSYLVANIA REVIEWED

AU281902 Bucharest AGERPRES in English 1702 GMT 28 Jan 86

[Text] Bucharest AGERPRES 28/1/1986--One of the remarkable achievements of the Scientific and Encyclopaedic Publishing House of Bucharest in 1985 is the publication in English of the book "The Idea of Nation. The Romanians of Transylvania, 1691-1849" by reputed American historian Keith Hitchins. It is to be published in French, too.

The author, professor at the University of Urbana, is well-known among experts as, for more than two decades, he has published studies on the Romanian people's history and culture, both in the USA and Romania.

A crowning of thorough research work, the new synthesis traces the development of the idea of nation with the Romanians of Transylvania between the end of the 17th century, when the principality of Transylvania was incorporated by the Habsburg empire, and the 1948-1949 revolution.

Outlining the social and political structures in Transylvania at the beginning of the surveyed period, the author shows that the Transylvania Romanians continued to be subject to double oppression. Though indigenous and making the majority in the Carpathian arc, they had to endure, beside social oppression, national discrimination instituted by the mediaeval pact "Union Trium Nationum" concluded by the privileged strata--Magyar nobles, Saxon patriciate and Szeckler commissioners--against the Transylvanian serf peasants after the stifling of the 1437 uprising at Bobilna.

Consequently, they were deprived of the right to participate in political life, the Romanian church was excluded from the admitted religions and, generally speaking, the Romanians were considered "tolerated" on their ancestors' land. The incorporation of the ancient Romanian province into the Habsburg empire preserved those oppressive and anti-Romanian feudal institutions, as the author notes, who also enlarges upon the fights waged by the Transylvanian Romanians against various forms of the Habsburg policy aiming at their denationalization.

It is in this context that the author includes the daring fight of Bishop Inochentie Micu (Greek-Catholic, 1929-1751), who claimed the Romanians' equality of rights with the other coinhabiting political "nations". The American historian shows that Inochentie Micu based his request on the fact that Romanians were the majority population in Transylvania, that "they were entitled to a place of privilege because they were the oldest inhabitants of the land, having resided there continuously since the time of the Roman emperor Trajan in the second century".

The author also surveys the works of enlightened Translvanians Samuel Micu, Gheorghe Sincai, Petru Maior, Ioan Budai-Deleanu who were continuators, in the 1770-1825 period, of Inochentie Micu's fight. They were a generation that distinguished itself not only through valuable historical and philosophical writings but also through their firm commitment to the fight for national emancipation materialized, among other things, in numerous petitions of which better known is "Supplex Libellus Valachorum" (1791). K. Hitchins assesses that the Romanian national feeling was to reach its modern form about the year 1848. The merit for it is due to the learned and political militants of 1848 like T. Cipariu, S. Barnutiu, A. Treboniu-Laurian, G. Baritiu, A. Iancu, Al. Papiu Ilarian, who made of the Transylvanian Romanians emancipation their credo. The author shows that the political fights of 1848-1849 highlighted the need to make efforts toward political organization and economic development, for the union of the Transylvanian Romanians with their brothers across the Carpathians, an aim that governed their actions till 1918 when it was to be attained.

Hitchins analyzes the facts in the European historical context. He highlights the positive influences of the liberal ideals in Hungary on the thinking of the generation of Romanian intellectuals, pointing out that they received enthusiastically the intentions of the Hungarian liberals regarding the reform of the economic and social relations in Hungary and Transylvania through the abolition of the feudal servitudes. This is how he explains the fact that in 1848--contrary to some hasty assertions--the Romanians were not hostile to the Hungarian revolution in the beginning, producing proofs of the confidence shown by Cipariu, Baritiu, Iancu in the Hungarian liberals' attachment to all peoples' right to develop free, as national entities.

Professor Hitchins makes an in-depth analysis all along his survey. The work is also impressive through the solid and wide-scope documentation from Romanian and foreign sources, their attentive analysis, the successful efforts made for deciphering the nuances, the logic of the arguments, the stringent, clear presentation of problems, the pertinent and objective character of the conclusions that coincide integrally, on the major questions, with those of the Romanian historians, attenting to converging preoccupations for the observance of historical truth.

/6662
CSO: 2020/88

BRIEFS

COOPERATION, TRADE WITH HUNGARY--Budapest, AGERPRES 6/2/1986--Budapest hosted talks between Petre Preoteasa, Romanian minister of technical and material supply and control of the management of fixed assets and Bela Szikszay, chairman of the state office for prices and materials of the Hungarian People's Republic. On the occasion the sides established measures for a development of the relations of collaboration and looked into the possibilities of produect exchange between the two central bodies in charge of supply. The Romanian minister called on Jozsef Marjai, deputy chairman of the Council of Ministers of the Hungarian People's Republic. [Text] [Bucharest AGERPRES in English 1115 GMT 6 Feb 86 AU] /6662

ALBANIAN THANKS FOR ROMANIAN GREETINGS--To Nicolae Ceausescu, president of the SR of Romania and to Constantin Dascalescu, prime minister of the Government of the SR of Romania. We express our thanks for the greetings and wishes you conveyed to us on the occasion of the 40th anniversary of the proclamation of the People's Republic of Albania and we extend our wishes for prosperity to the Romanian people. Ramiz Alia, chairman of the Presidium of the People's Assembly of the People's Socialist Republic of Albania [PSRA]; Adil Carcani, chairman of the Council of Ministers of the PSRA. [Text] [Bucharest SCINTEIA in Romanian 4 Feb 86 p 3 AU] /6662

CSO: 2020/88

NEED TO COMBAT SOVIET 'FALSIFICATION' OF COUNTRY'S HISTORY

Tirana REVISTA PEDAGOGJIKE in Albanian No 3, Jul-Sep 85 pp 57-66

[Article by Agron Gani, Faculty of History and Philology: "The Anti-scientific and Reactionary Essence of Views of Soviet Revisionist Historiography on the Subject of History"]

[Text] The history of modern times and the history of Albania are among the subjects where the most important events and phenomena of world and national development are treated from the positions of Marxism-Leninism, particularly, such great events for our people as the anti-fascist struggle for national liberation and the period of socialist construction in Albania.

Connected with these important events is the task of our schools, which, supported by the teachings of the Albanian Workers Party and the works of Comrade Enver Hoxha, refutes in a reasoned manner the reactionary and anti-scientific views of bourgeois and revisionist authors who, having great means and funds at their disposal, have been mobilized with all their forces to belittle, slander and deny the anti-fascist National Liberation Struggle of the Albanian people, led by the PKSH [Albanian Communist Party] (today, the AWP) and Comrade Enver Hoxha for national liberation and the triumph of the people's revolution in Albania.

In this area, an important place is occupied by the Soviet revisionist authors, who flagrantly distort historical truth and have long ago cast aside all scientific objectivity, arriving at a flagrant falsification of the historical reality of the documents of our historiography.

In this article, we will consider the method of developing a critique of the views of Soviet revisionist historians regarding our struggle for national liberation in the subject of the history of modern times, in the lessons regarding the Second World War, and still more in the subject of the history of Albania, in areas relating to the Anti-fascist National Liberation Struggle of the Albanian people.

In the history of modern times, in subjects connected with the Second World War, and still more in the history of Albania, in subjects regarding the Anti-fascist National Liberation Struggle of the Albanian people, history teachers have made it clear to students that many Soviet revisionist authors, such as politicians, high-ranking mioitary officers, journalists and historians, distort the facts and create various absurdities in order to "prove" that allegedly the struggle of the large allied states of the anti-fascist coalition (England, the USSR and the U.S.) was the decisive and only factor in the liberation of Albanian and in our people's revolution. They claim that the struggle of the Soviet Union, in particular, was the major factor in the liberation of Albanian and in the victory of our people's revolution. These views and distortions have even been expressed in the highest Soviet state organs and by the highest authorities, not to mention their appearance in the official press of the Soviet revisionists. Thus, the congratulatory telegram sent by the Presidium of the USSR Supreme Soviet to the Council of Ministers of the People's Republic of Albania, on the occasion of the 17th anniversary of the liberation of Albania, said: "The decisive factor which gave the Albanian people the opportunity to cast off the foreign yoke and establish the people's power in their own country was the destruction of the German fascist hordes by the Red Army."[1]

We also encounter this viewpoint widely in the works of Soviet revisionist historians which are devoted to the Second World War or to particular aspects of it. In order to argue against it, teachers can show their students that A.A. Grechko, ex-minister of defense of the Soviet Union, in his collected memoirs in the book, "Permes Karpateve" [Across the Carpathians], wrote that the assault operations of the Red Army in 1944-1945 played the decisive role in liberating the peoples of Austria, Albania, Bulgaria, Hungary, Norway, Poland, Romania, Czechoslovakia and Yugoslavia from fascist occupation.

It thus becomes clear to students that the Soviet authors deny and disparage the struggle of our people and of other peoples who also shed their blood for the common cause of destroying fascism.

The teacher stresses to the students that the Albanians do not deny, as the Soviet revisionists claim, the important role of the peoples of the Soviet Union and of the Red Army, led by J.V. Stalin, in the dstruction of fascism on a world scale. This was a great help and a very important factor in the achievement of victory over the treacherous invaders by the enslaved peoples, and therefore by the people of Albania as well. This was stressed by Comrade Enver Hoxha, when he presented the first government program of the AWP in March 1946: "One of the most important factors in the victory over fascism and, therefore, a major external factor in the liberation of our country is the glorious place of the USSR."[2]

Supported by the ideas of Comrade Enver Hoxha, the teacher reinforces in class the idea learned earlier, that the major factor in the liberation and development of a country is the internal factor--the mobilization and launching into combat of all the material and moral forces of the people. This is all the more true for our country, since it is known openly that neither the Soviet Army nor any other foreign army set foot on Albanian territory. Our country is the only country in Europe which was liberated by its own forces, without the need of foreign military forces. Foreigners did not fight alongside our people within Albania. It happened that the Albanian people, without in any way denying the help of the allies as an important factor in destroying the common Nazi and fascist enemies, fought by itself, tooth and nail, shod and barefoot, dressed and stripped, with arms and with every other implement that was at hand.

In order to reinforce this idea, the teacher can read to the students the following quotation from the work of Comrade Enver Hoxha: "During the Second World War, the Stalinist Soviet Army displayed heroism and made great sacrifices; it gave brilliant proofs of internationalism and it gave the death blow to the German invaders. But if we ourselves had not fought, if we had not had our strong, unbending party, we would not have achieved victory and complete liberation of the fatherland."[3]

It is important that the students should understand that the Soviet revisionist authors widely utilize another method as well in order to deny and disparage our national liberation struggle: silence in the face of the reality of the life and death struggle of the Albanian people against the Italian and German fascist hordes. Thus, one Soviet historian writes that in the countries of Europe, in the summer of 1944, the national liberation movement was broadened and that great successes were achieved in the fight against the fascist invaders by the national liberation army and the partisans of Yugoslavia and the patriots of Greece, Italy and other countries. Albania, in this case and in other publications, is not included among the countries which engaged in armed combat against the foreign Nazi and fascist invaders and the native Quislings, which implies that there was no movement in Albania, that the German invaders sat with their legs crossed in 1944 and ruled without encountering any resistance--in flagrant opposition to historical truth. It was precisely in 1944 that the Albanian National Liberation Army successfully smashed two large operations involving many German and Ballist [Balli Kombetar-National Front] forces. After the defeat of these operations, it launched a general attack which ended in the expuslion of the German invaders, the destruction of the traitorous Ballist forces and the complete liberation of the country, without the need of having allied armies enter Albania from outside.

It is important for teachers to know that the Soviet revisionist authors, confronted with the facts of documents which speak about the self-sacrificing 5-year national liberation struggle of the Albanian people, try to find new ways and forms to denigrate it. They treat our struggle in a simplified manner, as though it was engendered, developed and stimulated by the events which occurred in the Balkans and elsewhere. The Soviet revisionist historians speak very little about the struggle of our people and neglect the key moments and most important events of the heroic struggle of our people, as well as our general armed revolution. Thus, one Soviet revisionist historian, in an article published in 1978, treats several Balkan events, which according to him, allegedly influenced and determined the attitude of the Albanian people in support of the liberation struggle of other peoples. Included in these events are the Italo-Greek war and German aggression in the Balkans in 1941.

It should be emphasized to students that the aim of Soviet revisionist historians is to present the beginning of our people's struggle as having been stimulated by external causes and events. Aside from this, their aim is to deny the struggle of the Albanians and their resistance during the years 1939-1941, under the leadership of the communists, apart from the fact that they had not created the Communist Party. This accusation is refuted by confrontation with historical truth. Teachers remind students that little Albania was the first victim of Italian fascist aggression in the Balkans. Although it was betrayed by King Zog and the rich bourgeois landlord classes, a heroic armed revolt was made against the Italian fascist invaders on 7 April 1939, at a time when Albania's neighboring states, not to mention those of Central and Western Europe, were exhibiting solidarity with fascist aggression. There is great value, particularly, in Comrade Enver Hoxha's statement that: "We were the first state in Europe to become the prey of Italian fascism and the first people to fight with arms without expecting others to enter the war. As in 1939, when Europe was silent," declared Comrade Enver Hoxha from the court of the Paris Peace Conference on 21 August 1946, "the sons of our country were falling on the field of honor for a just cause which, a little later, would become a cause of all mankind."[4]

In the face of the confrontations and distortions of Soviet revisionist historiography, we must present the facts and their accurate interpretation, whcih we find embodied in the teachings of the AWP and the works of Comrade Enver Hoxha. Supported by these, we demonstrate to the students, with real facts, that the heroic resistance of the Albanian people against the fascist invaders began immediately after the occupation and continued and developed with ever increasing strength and in all forms. The great mass demonstrations of the years 1939-1941 were drowned in blood. The data indicates that 6,500 anti-facist Albanians were thrown into prisons or concentration camps constructed in Albania or Italy. Many others were massacred in cities and villages of Albania for anti-fascist activities. Evidence of the resistance of our people is also provided by the fact that in 1939, there were more than 3,000 Albanian anti-fascists who had left the mountains and were making continual armed assaults against the Italian invaders and their tools. They represented the core of the subsequent partisan fighting units. But in the anti-fascist movement were also included thousands of other Albanians in cities and villages, who fought the enemy in the most varied ways. The whole Albanian people was conscientious in its heroic undertaking, which was filled with dangers and sacrifices: it was conscious of the fact that these battles would determine its fate and existence.

Criticism of the views of Soviet revisionists who attempt to present the Albanians as cowards, as people who avoided fighting the fascist enemy during the years 1939-1941 is also a matter of concern. The teacher can tell his students that the Soviet revisionist authors of Voljme IV of the work, "Historia e Luftes Dyte Boterore" [History of the Second World War], published in Moscow in 1975, write that in 1941, in the deep mountain regions of Albania which are difficult to cross, platoons and small partisan fighting units hid themselves, were still in the formative stage and seldom entered into armed encounters with the enemy.

The students understand clearly that a more overt degradation is not possible of our people's struggle, about which Comrade Enver Hoxha writes: "You were never afraid of slavery of the swords of the enemy or his cunning or his burnings or his killings; you never bowed your head before foreigners and before treachery, but always stood tall, with head erect. In your belt, you carried pistols inlaid with silver, on your shoulder you carried flintlocks, in your hand you held a naked sword and you fought with fury.... History has taught you that those peoples who do not fight disappear, so you, my people, fought for freedom, for your language, for your customs, for your sacred soil and you did not disappear, but triumphed."[5]

In order to refute the slanders of the Soviet revisionist historians, we remind our students that the fighting unit of Peze did not hide in deep, inaccessible places, but operated with ever increasing strength in the immediate vicinity of Tirana and Durres. Its unceasing and completley efficacious assaults caused great alarm in the ranks of the enemy. The carrying out of several consecutive operations by Italian troops against the region of Peze, where the partisan forces led by the Hero of the People, Myslim Peza, were acting, indicates best that Albanians from the four corners of the country were in continual struggle with the occupier. Gradually, the partisan struggle caught fire not only in Peze, but also in Mallakaster, Skrapar, Kurvelesh, and Cermenike.

In treating the Anti-fascist National Liberation Struggle of the Albanian people, the teacher must bear in mind, in his criticism of Soviet revisionist historiography, the fact that the revisionist authors attempt to ignore or distort such important events of our struggle as: the general armed insurrection in its three phases, the failure of the enemy operation in the winter of 1943-1944, the spring assault by our national liberation army in April-May 1944, the failure of the enemy operation of June 1944, and the actions and general assaults of our amy which led to the conclusive victory of 29 November 1944 and to the complete liberation of Albania.

Another important problem which must engage the attention of the history teacher, in connection with the problems of the Second World War and, in particular, of the Anti-fascist National Liberation Struggle of our people, is the unmasking, by means of scientific arguments, of the absurd claims of Soviet revisionist historians regarding the so-called assistance with arms, various military materials, financial resources and even troops, which the Soviet Union supposedly gave Albania during the war years. Thus, one historian writes, in an article published in the revisionist journal NOVAYA I NOVEYSKAYA ISTORIYA, that the material assistance given by the Soviet Union to the national liberation army played an important role in the liberation of Albania. Another work goes even farther. It claims that allegedly during the year 1944-1945, the Soviet Union gave our national liberation army 350 cannons, about 1,000 automatics, more than 15,000 rounds of rifle ammunition, and a great deal of other military materiel. The absurdity reaches its height when it claims that Soviet military aircraft supposedly brought us Soviet soldiers sometimes.

It must be clear to the students that these claims by the Soviet revisionist authors are in flagrant opposition to historical truty. It is well known that the forces of the Albanian National Liberation Army, although they considered the Red Army a support and correctly evaluated its role in the destruction of the fascist beast, "did not obtain any material, arms supply or clothing from the Soviet Union or from the command of the Yugoslav National Liberation Army, which received consderable assistance of this type from the Soviet Union."[6]

The Soviet Union gave economic and military assistance to the partisan movement in other countries of Europe, such as Poland, Czechoslovakia, Yugoslavia, etc. In this area, the students can also be given figures. Thus, for example, during the war, the Polish Army received from the Soviet Union about 700,000 rifles and automatics, more than 15,000 heavy machine guns and mortars, 3,500 cannons, 1,000 tanks, 1,200 airplanes, etc. During 1944-1945, the Soviet Union gave Yugoslavia a great many weapons. Many of these supplies passed through the Soviet military base established at Bari, in Italy. Understandably, the teachers perceive that with the establishment of this base, possibilities increased for the Soviets to help the struggle of our people, but in reality they gave them nothing in their struggle for freedom.

It must be explained to the students that the reasons for this attitude on the part of the Soviet apparatchiks has been analyzed scientifically by Comrade Enver Hoxha in his major work, "Titistet (Shenime Historike)" [The Titoites (Historical Notes)]. In this work, he shows that the history of the Anti-fascist National Liberation Struggle in our country and that of subsequent years best proves the fact that the Soviets, beginning from the time of the Second World War, have not shown any interest in us. They did not know much about the centuries-old history of our people, which had passed in continual struggles and efforts for freedom and national independence, nor about our National Liberation Struggle. Even the Soviet military mission which came to Albania at the end of the war did not see or understand the greatness and depth of the struggle of our people and party. This means not only that the mission consisted of ordinary people, but also that there was a lack of necessary interest on the part of many Soviet leaders in our struggle. Their true attitude, as is well known, was an anti-Albanian one and it appeared openly after the death of Stalin. As Comrade Enver Hoxha writes, "As may be judged, they were interested in and very well informed about the national liberation struggle of Yugoslavia and must have had more faith in it, at a time when they did not have faith in the Greek National Liberation Struggle, while they did not consider us of any account; they did not know us at all and they defended us because it was necessary for them to maintain their principles. As is well known, the Titoites only informed them very little about us. But this, in fact, pleased them and the Soviet leaders must have reached the practical conclusion: 'Let the Yugoslavs deal with the Albanian partisans'."[7]

With regard to the problem of concrete assistance, Comrade Enver Hoxha, keeping in mind Molotov's declaration that "We give economic assistance for

Albania through Yugsolavia," reached the conclusion: "Since 'Yugoslav assistance' did not amount to anything, we may conclude that Soviet assistance did not exist up to the moment when our relations with Titoite Yugoslavia were broken off."[8]

On the basis of the works of Comrade Enver Hoxha, we refute in a reasoned manner the other claim of the Soviet revisionist historians: that Soviet diplomacy allegedly played a decisive role in saving Albania from the danger of falling under the domination of Anglo-American imperialism during the Second World War. Thus, the authors of a work devoted to the Patriotic War of the Soviet Union write that Albania, without the support of the Soviet Union, would easily have become the object of intervention by the United States and England. This view is also expressed in various revisionist organs and journals.

Students who have become acquainted with the history of the national liberation struggle of our people understand immediately that these claims run counter to historical truth. Comrade Enver Hoxha, in his work "Rreziku Anglo-amerikan per Shqiperine" [The Anglo-American Threat to Albania], proves with many facts that "The party, by its heroic struggle and revolutionary vigilance, saved the people and the fatherland from many dangerous traps which the English pseudo-allies set behind our backs."[9]

On the basis of the work of Comrade Enver Hoxha, the teacher refutes the attacks of the Soviet revisionist historians and reinforces the idea that the Albanian Communist Party and Comrade Enver Hoxha have great historical merit because while they considered the Anglo-Americans as allies against fascism, they did not forget for a moment their class nature, their aims against our struggle, the Soviet Union and the great cause of socialism and communism in the world. They preserved the independence of our country by not submitting to the Anglo-American strategy and the allied Mediterranean command, as did the leaders of the communist parties of Greece, Yugoslavia, Italy, etc.

It is the task of the teacher, by unmasking the aforementioned views of the Soviet revisionist historians on the Anti-Fascist National Liberation Struggle of the Albanian people, to prove in class that in terms of the political and ideological purposes that they attempt to fulfill, they are the same as the view of the bourgeois historians, the Yugoslav revisionist historians, etc. These views are nothing more than an expression of the contempt and denial on the part of representatives of large states for the decisive contribution of a small country and people like ours to the Second World War.

The teacher closes his critique of bourgeois and revisionist views--of Soviet revisionist historiography in our concrete case--in class by describing the great contribution made by our people to this war, the countless sacrifices it made in order to gain the freedom and independence which we enjoy today.

FOOTNOTES

1. ZERI I POPULLIT, 29 November 1961.

2. Enver Hoxha, "Vepra" [Works], Vol 3, p 314.

3. Enver Hoxha, "Kunder Revizionimit Modern" [Against Modern Revisionism], p 650.

4. Enver Hoxha, "Vepra," Vol 3, Tirana, 1969, p 423.

5. Enver Hoxha, "Pershendetje me Rastin e 40- Vjetorit te Clirimit te Shqiperise" [Greetings on the Occasion of the 40th Anniversary of the Liberation of Albania], ZERI I POPULLIT, 29 November 1984.

6. "Historia e Shqiperise" [History of Albania], Vol 3, Tirana, 1964, p 40.

7. Enver Hoxha, "Titistet (Shenime Historike)" [The Titoites (Historical Notes)], Tirana, 1982, p 463.

8. Idem. p 464.

9. Enver Hoxha, "Rrezikut Anglo-amerikan per Shqiperine" [The Anglo-American Threat to Albania].

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HOXHA'S WORKS AT CENTER OF IDEOLOGICAL EDUCATION

AU091808 Tirana ZERI I POPULLIT in Albanian 1 Feb 86 p 1

[Editorial: "Forms of Education Should Militate More Fruitfully for the Fulfillment of Tasks on All Fronts"]

[Excerpt] Comrade Enver Hoxha's work "On the Party" will be studied this year in the forms of education. This compendium, which has been published in three volumes, includes works by the beloved and unforgettable leader of our party and people that deal with a wide range of problems pertaining to the party, from the time of its founding and up to the present, and highlight, among other things, Comrade Enver Hoxha's valuable contribution to the further enrichment of the Marxist-Leninist doctrine on the party of the working class and its guiding role in the struggle against all the distortions and unscrupulous speculations of the modern revisionists of all hues and molds. The powerful ideas and valuable instructions to be found in the pages of these three volumes will constitute a great inspiration to the communists, cadres, and all the working people of our country to honorably fulfill the considerable tasks set out by the party and synthesized in the nationwide revolutionary movement "Standard-bearers of the Implementation of Comrade Enver Hoxha's Teachings." The party organs and organizations must therefore transform the study of the work "On the Party" into a great ideological action to master Comrade Enver Hoxha's teachings on the party, on its correct and consistent Marxist-Leninist line, on the party's leadership role in all fields of socialist construction and the country's defense, on the principles and norms on which its activity is built, on the qualities that must characterize the communists, and so forth. The party organs and organizations must also carefully scrutinize the advanced experience accumulated in organizing ideological actions and must place it better than ever before in the service of constantly raising the political and ideological standard of the communists, cadres, and the working people.

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CARCANI AT SHKODER PARTY ACTIV MEETING

AU131013 Tirana ATA in English 0730 GMT 13 Feb 86

[Text] Tirana, February 13 (ATA)--The meeting of the party activists of the District of Shkoder was convened yesterday. It will discuss some important actions in the field of economy, in implementation of the instructions of the 13th plenum of the Central Committee of the party, which will give a further impetus to the frontal realisation of the tasks this year.

The meeting was attended by cadres of the party and government organs, managers of the economic enterprises and the agricultural enterprises, representatives of the districts' mass organisations, as well as chairmen of the executive committees of the people's council of northern districts and others.

Present was also the member of the Political Bureau of the Central Committee of the party and the chairman of the Council of Ministers, Comrade Adil Carcani.

In his report the chairman of the executive committee of the district people's council, Faik Cinaj pointed out the measures adopted and the work being made to implement the decision of the bureau of the district party committee on the acceleration of the work rates in the project for the irrigation of Shkoder from the lake of Vau i Dejes hydropower station, on the increase of the maize and tobacco production, on the further raising of the number of heads of the smaller cattle and the creation of the herds of which the units of arable land and fruit-growing, etc., will take care. Likewise representatives of the districts emphasized in their contributions the work and actions that have been undertaken to frontally carry out the tasks of this year.

Comrade Adil Caracni, too, took the floor in the meeting. On behalf of the Central Committee of the party and the Council of Ministers and Comrade Ramiz Alia personally, he congratulated the party organisation of Shkoder District, which, as the 13th plenum of the Central Committee of the party instructed, has turned the actions into a method of work for the successful realisation of the tasks of the 1986 plan.

He expressed his conviction that the communists and the working people of Shkoder District, in steel unity round the party and its Central Committee with Comrade Ramiz Alia at the head, will turn 1986 into a year of intensive work and revolutionary actions to realise the set tasks and objectives.
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QUALITY OF RECENT LITERATURE EXAMINED BY WRITERS, ARTISTS UNION

Tirana DRITA in Albanian 17 Nov 85 pp 1, 3

[Article: "With Common Concern for Artistic Quality"]

[Text] "What Came out From the Meeting of the Writers and Artists Union?"

The meaning of quality as a matter of artistic content and of achievement in creativity. What is the result of the psychology of coexistence with the average? The advantage of going to the grassroots by writers who work in offices and the danger of transforming the house into an "office." The criticism that flattens literary values promotes averaging and leaves mediocrity in the corner. The writers' critical thought also makes criticism. When you write hundreds of literary pages and do not write 5 to 10 pages of literary criticism. The writer creates the work; but the editor has also his noticeable role in regard to the ideological-artistic level. Sectorial thinking must not be confused with general literary opinion.

The meeting that was held last week at the Writers and Artists Union, showed that the creative people, critics and workers of the printing and artistic (stage sets and motion picture) institutions have a common concern and involvement in regard to solving the concrete tasks stemming from Comrade Ramiz Alia's speech at the meeting with creative workers in Korce. Both in the opening speech by Llazar Siliqi, secretary of the Writers and Artists Union, and in the speeches delivered by comrades Dalan Shapllo, Razi Brahimi, Stavri Kristo, Zoja Cela, Kice Blushi, Dhimiter Shuteriqi and Fatos Arapi, it was stressed that the attention must be concentrated on two main fields: on the continuous and systematic work of the creative workers to improve the level of creativity through involvement in the great problems and concerns of the people, strengthening realism and artistic skills, and on further improving organizational and inspiring work forms in the union, in its sectors and literary organs, in the "Naim Frasheri" publishing house and in other artistic institutions.

The activities of the union and of the writers themselves have a particular importance for new achievements in the struggle against the average and even more against mediocrity. The requirement for a more determined struggle assumes today a special force, because now we have notable achievements, literary works with high artistic and ideological value, which are dear to our people and precious to and esteemed by foreign readers and lovers of art.

Therefore, the higher level of our literature and art and the present stage achieved by our country and readers never accept mediocrity and accommodation to the average. Comrade Ramiz Alia stressed that "culture in Socialist Albania, having a deeply popular character, belongs to all social strata" and "the spiritual and material development must progress parallely." This, therefore, implies the need to improve the qualitative level of our literary creativity in order to respond to the requirements of the time.

When we speak about artistic and ideological quality, it is necessary to have a deep and complete understanding about it, as a matter connected with the problems of content and forms. This was pointed out especially by those who participated in the discussions, because, not infrequently, quality is demanded only in regard to creative skills and artistic forms. Comrade Ramiz Alia pointed out that genuine art bears and expresses the great problems and concerns of the people, reflects the present with profound realism and provides prospects for the future and solutions. This means that the matter of artistic quality must be understood, first of all, as a matter of content. What are the phenomena, problems and subjects that writers grasp from reality? They express the characteristics of life in development, the essential differences and the main concerns of the people. If the problems essential to the life of society and to its struggle for the building of socialism are treated with realism, then, also the artistic forms and means of expression will undergo renovation. However, there is harmony in this relationship when deep knowledge exists and when there is serious and continuing perpetuation and involvement on the part of social and party-minded militants. But, with a superficial knowledge, one can "burn" and artistically compromise important themes and problems. Therefore, it was stressed at the meeting that the process of gaining a deep knowledge of life, through the work forms organized by the union, as it is being carried out this year and, particularly, by the initiators themselves, should be a continuing concern and be converted into a work method and style. It is useful when the union creates opportunities for writers who work in offices to go to the grassroots for 6 months; but, one must be attentive to cases when a writer transforms his house into an "office," that is, making a lukewarm life, a confined life. The knowledge of life, the comprehensive formation of writers and the satisfaction with impressions are not seasonal matters nor are they confined to the construction site or area when you have an idea or a subject that stirs you up. Such a "practice" runs the risk of shallowness and schematism.

On the contrary, when the process of gaining knowledge is continuous and inspiration is also continuous, the "arousal" of essential themes and issues exerts pressure on the creative awareness of the writer. Later on, when the concentration on a determined theme, problem or subject begain, then a more thorough knowledge can be obtained. Precisely at this stage, a certain event and its models assume priority and the writer starts "digging" to a greater depth. It is here that quality often has its roots, because, as it was pointed out at the meeting, the matter of quality is entirely a matter of realism. Average works and, especially mediocre works, first of all, have not realism. Many dramas or novels are lacking the force of realistic reflection; therefore, they have no artistic and ideological quality. Without thorough realistic reflection, you cannot embody in art the essential differences, life conflicts, strong characters with individual qualities, deeply spiritual people and ardent literary speeches.

There was the opinion that many novels published in the past 2 to 3 years are of a satisfactory artistic level; however, all of them are not read by the creative workers and have not been properly monitored by criticism. This opinion must be seen from several aspects. It is true that there are writers who do not continuously read each other's works, just as there are critics who do not regularly monitor the literary process; this must not happen. Also, among the novels published during the past years, there are works of a high level, about which the critics have written and must write more. To present the problem in a general manner and to confuse the failure of certain people to read all novels with the general literary opinion means to judge from a sectorial position and to feed yourself with an empty spoon. The general literary opinion is this: regardless of some achievements, the level of novels published during the past years is still below the requirements of the time. Only by creating with full self-knowledge in regard to achievements and shortcomings, determining and working with great objectives, will our writers and publishers further improve the level of their novels.

Staying with the people, where they work and militate not only gives writers their themes, subjects, and vital prototypes and characters, but also helps them to understand thoughts, tastes and demands of their readers. Standing beside their readers, writers learn what pleases them and what works they call average and mediocre. Because, a reader, when he becomes a friend of the writer, does not speak to him from the rostrum of the "presidium" of the meeting or the conference, but expresses himself with sincerity and makes observations and suggestions which, sometimes, are not covered by professional criticism. From his friend the writer learns that the meaning of average, its level, changes from one literary stage of development to the other. Anyhow, the average will exist, but one must not coexist with it. When aiming at noteworthy literary works, the average level also improves from one stage of development to the other. If you accommodate to the situation of the average todya, tomorrow you may find yourself in mediocrity, because life, the times, social development and readers' tastes progress, increase, and improve. In this understanding, to speak about artistic-ideological quality means to speak about the enrichment of the national cultural works, about the tastes and progress of your people. Therefore, it is essential for every writer to make a critical evaluation of his own work, to be more demanding in regard to his creative results. When the party and general social development demand higher quality in creativity, everyone must think more deeply about his own work, about what he intends to write, about what he is writing or what he has just finished. (As a matter of fact, when he deems it necessary, the author can go to the publisher and ask to review his work, although he has already handed it over.) The attitude of seeking to improve one's work is not simply ethical; it is also the evaluation of the masses of readers and of oneself. The feeling of responsibility for creativity is linked not merely with the "schedule" of the creator's work, but also with its effect on the masses of readers. Comrade Enver Hoxha compared artistic literary works, in regard to usefulness, to the giant hydroelectric power stations, comines and wheat-filled plains. This, however, is an attribute of notable works with a high artistic and ideological level, because, as Comrade Ramiz Alia stressed at his meeting with creative workers in Korce, "without the improvement of the artistic and ideological level, the very educational effect of art is diminished." An average level in creativity and average tastes and demands in publishing and theater productions hinder art and are not encouraging for research work and for improving quality.

In this connection, a more intensive development of litarary criticism, and increased efforts to confront the problems stemming from the literary process, play a special role. Reading the reviews which are published one can see that, in regard to works, there are evaluations and considerations that are repeated in cliche form. In many cases, the authors of these writings are known critics or writers, with individuality. Then, how can you explain this uniformizing attitude? Here, it was said at the meeting, among other things, one can feel the lack of a critical attitude in regard to average values. This is one aspect. The other aspect deals with the tastes of authors of the writings. When it esteems and tries to affirm average values, criticism shows its accommodation to the average in literature. On the other hand, thorough and concrete analyses are demanded, because writings without documentation sound either like praise or like insults.

It was also stressed at the meeting that literary criticism, in general, results from the critical thinking of writers, of those with a long creative experience, but also of young authors who must learn to be always active. The critical opinion of the creative workers has many advantages for writers and for literary development in general. It brings the writer face to face with the times and the work of his colleagues, with the tastes of his readers and with the requirements of contemporary development. Therefore, the participants at the meeting stressed that it is unpardonable for a writer, to write tens or hundreds of pages of literature in a year, and not to bother to write 5 to 10 pages of criticism about a literary issue, about the work of a collague or about the work of a young writer. Especially in regard to the latter, there must not be any lack of concern because this is not only consideration, but also, first of all, concrete assistance.

The attitude toward creativity in the editorial staffs and institutions plays its role in literary artistic development. If editors, stage directors, and scenario writers do not keep in step with the requirements of the times and are not in the forefront of the progressive taste of the masses, then, they pave the way for an average level and, soemtimes, for mediocre works. On the other hand, practice shows that it is harmful to confuse the demands for high ideological and artistic quality with those with aiming at "being within safe limits," not to have trouble, as happens more often in staging theatrical productions. The meeting emphasized that backwardness in dramas and comedies has several causes. Our distinguished writers must get more involved in this field. However, this does not mean that we lack talented authors in this genre or that it is a "difficult" field. (What literary genre does not have its special characteristics and difficulties?) Sometimes, its "difficulty" stems from the many "demands" made through certain links. For this reason, there are cases showing that some creative workers think that it is better to tackle a literary work than to undertake the staging of "Odyssey." This is a restraining concept; we must not tolerate it; it is important, however, to struggle against its causes.

The writer creates literature; outstanding and mediocre works, first of all, are the fruit of his creative work. Distinguished literary works are not written by the best editors and producers. However, their role is always noticeable on the artistic-ideological level. Therefore, it is necessary that the publisher, stage director, and scenario writer be as close to the writer as possible, encourage and help him with their porgressive ideas, tastes, culture, and competent knowledge. In this regard, much still remains to be done.

To implement Comrade Ramiz Alia's guidelines, it is essential to have a broader and more intensive cooperation between the creative workers themselves, between experienced creative workers and talented young men and young women, between the Writers and Artists Union and the institutions and between the cultural and artistic institutions and the union. This cooperation has never been lacking. But, the issue is that it should be more intensive and dymamic, capable of using varied work forms, with living and fruitful activity, so as to successfully fulfill the requirements for ideological-artistic quality.

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BRIEFS

AUSTRIAN-ALBANIAN DIPLOMATIC ANNIVERSARY--Tirana, February 12 (ATA)--On occasion of the 30th anniversary of the establishment of the diplomatic relations between the People's Socialist Republic of Albania and the Republic of Austria, the minister of foreign affairs of the PSR of Albania, Reis Malile, and the federal minister of foreign affairs of the Republic of Austria, Leopold Gratz exchanged telegrams of greetings. On this occasion they expressed their desires and wishes for the further development of the friendly relations between the two countries. On this occasion, too, the ambassador extraordinary and plenipotentiary of the PSR of Albania in Austria, Idriz Bardhi, gave a cocktail which was attended by functionaries at the premier office, the Ministry of Foreign Affairs, the Ministry of Trade, Industry, and Handicraft, the president of the Academy of Sciences of Austria, the chief editor of APA NEWS AGENCY, the chairman of Austria-Albania Friendship Association, etc. The reception passed in a friendly atmosphere. [Text] [Tirana ATA in English 0900 GMT 12 Feb 86 AU] /6662

ALIA ATTENDS CONCERT IN RRESHEN--Tirana, February 11 (ATA)--On occasion of the visit of Comrade Ramiz Alia, the amateur artistic ensemble "Mirdite" gave a festive concert in the house of culture and people's creativeness of the town of Rreshen on February 10. Present were vanguard workers and cooperativists, veterans, heroes of socialist labour, militarymen, youngsters and Enver's Pioneers. Those present welcomed with enthusiastic applause the entering into the hall of Comrade Ramiz Alia. Attending were also the member of the Central Committee of the Party Sofokli Lazri, the first Secretary of the District Party Committee Gjela Biba, the chairman of the Executive Committee of the district people's council Petraq Kalemi and other comrades. The amateur artists sang and danced for the party, Comrade Enver Hoxha, the happy life, the moral beautiful future. At the end of the concert, the amateur artists and all those present in the hall applauded and cheered powerfully for the party, its Central Committee with Comrade Ramiz Alia at the head. [Text] [Tirana ATA in Engglish 0730 GMT 11 Feb 86 AU] /6662

CSO: 2020/85

PROSPECTS FOR 1986 SUMMARIZED

Prague RUDE PRAVO in Czech 30 Dec 85 p 1

/Article: "With Courage and Energy"/

/Text/ Our society is entering 1986--the year of the 17th Congress and the 65th anniversary of the establishment of the Communist Party of Czechoslovakia --conscious of the magnitude of the tasks necessary to effect maximum continuous future development. Although there will be many opportunities to assess the work accomplished in the last electoral period, our main attention must be focused on the prospects ahead--on the tasks of 1986 and the whole Eighth 5-Year Plan.

It is good to draw encouragement for the work ahead from all that went well in the past; it is right to make use of all experiences that led to success. But it is no less necessary to analyze also the reasons for results that were not as good as expected and find the right approach so that future efforts will be more productive than former efforts. In any case, such a critical procedure is characteristic of the activity of our party in the last 15 years.

In order to provide for the further building of a developed socialist society, the results of the national economy are of paramount importance. They are critical for improving the living standard, enhancing the social security of the people and also for our input into the struggle to maintain and consolidate peace and the unity and strength of the socialist community.

In the coming days the general public will be informed of the main thrust of socioeconomic development in the Eighth 5-Year Plan which will be discussed and approved by the 17th Party Congress. The state plan for 1986 has a special position for achieving the basic aims of the Eighth 5-Year Plan. Its role is to ensure a smooth transition from the Seventh 5-Year Plan to the more demanding terms of the Eighth 5-Year Plan.

An increase of 3.5 percent in the national income is planned for 1986. To realize this it is necessary to make substantially better use of all intensifying factors. The plan to increase generation of the national income is primarily based on further reducing the amount of industrial production for the net national product and accelerating the growth of labor productivity. This means that commercial organizations will have to reduce the costs of materials for output about twice as fast as they did in the last year of the Seventh 5-Year Plan.

With such a requirement, the fact is that in the years 1986-1987 as a result of low growth of assets, the strain in the fuel and energy balance will intensify. Consequently, it will be necessary to give prime attention to more efficient consumption of fuel and energy.

Consistent with the main objectives of the Eighth 5-Year Plan, the 1986 plan places emphasis on more rapid development of the progressive sectors of engineering, the electrotechnical industry and eligible chemistry. The basic requirement is to organize all production in accordance with its intended use, especially for export and the domestic market. In matters of investment, there will be a change in direction, toward the most important aspects of development of the economy in accordance with contemplated structural changes and the course of intensification. The volume of machinery and equipment will increase substantially while the volume of construction work will decline.

To fulfill the tasks planned for the first year of the Eighth 5-Year Plan calls for stepping up the application of R&D results to production especially but also to other areas. It is necessary for R&D to have a much greater impact on the creation of new products and technologies as well as cost effective utilization of raw materials, materials and energy.

In order to intensify the national economy by broad application of the results of R&D, it is essential to make maximum use of international socialist cooperation in the spirit of the Comprehensive Program of R&D Progress of the CEMA Member States to the year 2000 as well as our current bilateral programs with individual socialist countries, especially the Soviet Union. Only in this way is it possible to move ahead rapidly, expediently and efficiently and carry out the prescribed goals of economic development more effectively and reliably than before.

In international socialist cooperation it is essential to develop collaboration, specialization and integration on the basis of direct relations, cooperation not only between departments but also economic production units and their enterprises. By joining forces, making the best use of experience and knowledge we strive to increase technical and commercial parameters and the quality of products.

In 1986 we enter into the Eighth 5-Year Plan. Much depends on it being a successful entry on all fronts and with its high demands influencing all work and results during the entire upcoming period of the 5-year plan. It should, above all, bring about a distinct shift in the quality of all work, specifically in production where quality can be measured and controlled as well as in all other activities where quality depends on personal responsibility and discipline. Every author or collective should be able to sign his work knowing that it was the very best that human power could do.

Only by high quality work is it possible to create the conditions needed to attain the 1986 objectives of raising the living standard. Personal consumption is to rise by 1.9 percent and real personal income by 2.2 percent. Compared with development in the Seventh 5-Year Plan this is a considerably higher growth rate which will characterize the whole period of the Eighth 5-Year Plan. But it must be emphasized again that the given goals can be attained only on the basis of concrete results in the development of production, the creation of high quality goods, intensifying good management in all sectors and consolidating working, technological and financial disciplines.

The year 1986 will be a test of our preparedness to master the tasks of the whole 5-year plan. The tasks--as is apparent even now--are higher and more demanding, and that under more complicated conditions. Therefore it is essential to approach fulfillment of the new tasks with courage and energy, with determination not to retreat before any obstacle, not to evade any problem and not to give way to any weakness or misgivings.

In preparing for the 17th CPCZ Congress party organizations are becoming active and workers' collectives are making numerous pledges on the eve of the congress of the supreme party body. They unanimously express their determination to meet the increased tasks fully and honorably. The party greatly appreciates these expressions of initiative and believes they will develop even further and be directed toward broad and prompt application of the results of R&D to production, toward more efficient use of machinery and equipment, raw materials, materials and energy and toward high quality of work and products.

With courage and energy we enter into 1986, resolved to fulfill the prescribed goals and with new working successes on the eve of the 17th CPCZ Congress!

8491/12276
CSO: 2400/144

PLAN FOR CSSR SCHOOL SYSTEM REVIEWED

Prague RUDE PRAVO in Czech 19 Dec 85 p 5

/Article by Miloslav Dockal, candidate member of the CPCZ Central Committee and department head: "Significant Changes in the School System"/

/Excerpts/ At the present time, as the preparations of the communist party and of the entire society for the forthcoming 17th CPCZ Congress reach their peak, out educators are reviewing the fulfillment of the resolutions of the 18th CPCZ Congress and the new tasks facing socialist education. In this connection they are especially aware of the fact that our schools must meet the needs of socialism, serve the interests of the working class and other working people, and actively implement the programmatic goals of the Czechoslovak Communist Party. After all, the entire history of the party and especially of the period of building a developed socialist society after the 14th CPCZ Congress confirms that attention to the growth of the cultural and educational level of the people belonged and still belongs to the most important areas of the policy of the CPCZ and the socialist state.

So far the implementation of the program of the party's school policy has been reflected in a sharp rise in the cultural and educational level of the working people. The introduction of 10-year compulsory schooling for all our pupils has become an important step toward the further democratization of our educational system. This change as well as other changes in our educational system were spelled out in the University Law of 1980 and the law of 1984 concerning the system of basic and secondary schools.

The past period witnessed a positive development in preschool education. Our goal to have 90 percent of preschool children in kindergartens was exceeded by 7 percent. This arrangement has offered beneficial opportunities for the social development of young mothers. Just as important is the fact that in this way our children are better prepared for systematic education in regular schools.

The role and social function of the basic shool has undergone a substantial change. With the introduction of 10-year compulsory school attendance, the basic school is now the fundamental vehicle for preparing all our youth for secondary school, where they receive concrete training for future careers. The new role of the basic school emphasizes the development of the thinking and independence of pupils, the formulation of the scientific world view, and of their relationship with a socialist society, and the formation of their positive attitude toward work and education as important social values.

Also, the changes implemented in all three types of secondary schools are of basic significance. Their intent is_to achieve an overall improvement in the work of academic secondary schools /gymnasiums/, secondary vocational schools, and secondary vocational training centers. These changes broaden the specificity of their mission and at the same time help to bring these three types closer to one another by increasing the academic role of secondary vocational training centers and secondary vocational schools, and at the same time by introducing technical education in the gymnasiums.

Especially significant in this respect is the improved work of the secondary vocational training centers. The modern understanding of the training of young workers justifiably emphasizes the general academic aspect and its more appropriate role in vocational training, and the more effective linkage between theoretical preparation and vocational training--in other words, the ability to acquire technical abilities and skills. Understood in this manner, the training of future workers conforms fully to the political role of the working class in a socialist society and the corresponding necessity of active participation by its future members in political and public life.

The past period saw the extension of the length of study and the modernization of its content at our universities. The purpose of this step has been to secure the training of highly qualified cadres with a relatively broad technical background in a given area. Emphasis is given to creative attitudes and the higher adaptability of graduates to the present and future needs of social practice.

Adult education has become an integral part of our educational system. Its goal is the upgrading of skills acquired in the past, greater specialization, or retraining.

During the Seventh 5-Year Plan, we continued primarily to build preschool facilities and basic schools, especially within the framework of our extensive construction program. At the same time, however, the building of other types of schools and school facilities was also done on a large scale. In the course of the past 5-year plan, the national committees spent Kcs 9.5 billion to build educational facilities. This money paid for the completion of 1,600 schools with 7,500 classrooms and 2,000 beds in youth hostels. In addition, we made 173 additions to the existing schools buildings valued at Kcs 750 million. We invested Kcs 2.25 billion in the universities. In this way, our universities acquired 87,000 square meters of new classrooms and laboratories, the necessary space for more student cafeterias for the additional 5,700 meals and 12,300 beds in the dormitories. The latter provide lodging for over 121,000 students which, for all practical purposes, satisfies all student demands for space in the dormitories.

From a number of comments which were made it is obvious that certain people involved in social activity have not yet accepted the idea that at any given level of social development it is still not possible to think that the training of the graduate is completed at the moment he is presented with a diploma or other certificate attesting to his graduation.

It is imperative that the schools' efforts be followed up by the necessary attention of the ministries and individual organizations and institutions which must help to improve the qualifications of young workers, technicians, engineers, and other experts. The modern concept of a life-long education is, after all, not a mere theoretical thesis but a necessity.

This will not reduce but, on the contrary, increase the demand for the improved education and social responsibility of school graduates, their creative thinking, activity and initiative. Consequently, one cannot accept the fact that certain graduates of our secondary schools and universities look for their personal and professional fulfillment in mediocre and routine jobs, in the comfort of a godforsaken office, that they are afraid of difficulties and challenges which they must overcome, and that they do not care to work in demanding positions of our socialist construction. To discover the new laws of science, to experience the adventure of learning, to undertake conclusive creative effort in some seclusion and static comfort is and will remain difficult if not outright impossible.

The building of socialism, the linking of its advantages with the achievements of scientific-technical progress require from each and every worker sacrifice and courage, professional mastery and political awareness, a great deal of creativity but also a sense of collective work, humility and honesty. Only people with these characteristics can and will perform great deeds and achieve significant results.

Our schools, their teachers and other workers play a decisive role in the education of young people. The basic demand on a socialist teacher is his responsibility for the results of his work. This responsibility will grow with the further development of our school system.

The successful fulfillment of the tasks of the party's school policy depends to a decisive extent on the success of improving the effectiveness of communist education in the school and on the joint effort and cooperation of all social functionaries. The Marxist-Leninist world view of young people, their attitude toward their homeland and their international attitude, their attitude toward work and socialist ownership, and their moral and esthetic values and norms do not happen causually. Rather, they are formed gradually under the concrete conditions of life and work. The significance of the above is exemplified by adults.

Because of the above reasons neither the school and its personnel, nor the family, the national committees, the social organs and the organizations of the National Front, especially the Socialist Youth Union and its Pioneer organization, can remain indifferent to the problems which we face in the education of the new generation. The way to improve the system of education, to increase ideological and political awareness, the social activity and involvement of pupils and students is not only a theoretical but also a practical question.

For this reason it is necessary that every person, regardless of whether he works directly with young people or only influences them indirectly, must contribute to the uniform education of the future generation.

The acceleration of scientific-technical development under the conditions of socialist construction increases the demands on our entire school system. It means caring about improvement in the teaching of the modern math, natural sciences and technology; about applying the results of cybernetics, robotics, biotechnology and other progressive fields in the training of future workers, technicians, engineers and other specialists. To achieve a high effectiveness in this respect calls for making the scientific-technical revolution the real substance and work of the socialist school. It is necessary not only to reach electronics and computer technology but also to see to it that this and other areas of scientific-technical progress become the actual focus of the school activity of pupils, students, and teachers.

We are now witnessing the completion of the complex program of computer literacy in our educational system. After the appropriate discussions and approval by the governments, this will become a basis for the accelerated solution to these questions in schools and educational facilities.

In order to realize this goal, it is indispensable that we have enough computers, audio-visual aids and work programs; we also must in time train the necessary teachers. The basic training of teachers for work with computer technology is already being realized in diversified training courses.

Not even in the forthcoming Eighth 5-Year Plan can our school system do without further investments to secure the development of the material-technical base of education. Priority will be given to building all types of secondary schools, including youth hostels which will house the numerically large classes in the 1986-1990 period. Especially, the pertinent ministries must create more favorable conditions for the planned development of secondary training centers and more consistently pay attention to increase space which still lags behind our needs. In connection with the introduction of the 10-year compulsory school attendance it will help the construction of secondary vocational schools and gymnasiums if they will be viewed as part of civic needs within the framework of the construction of housing developments.

The development of the basic school system will aim at the construction of specialized workshops and classrooms. As far as the kindergartens are concerned, during the Eighth 5-Year Plan we will consider in most cases only replacements for outdated facilities. Special attention, however, must be given to further construction of schools in the countryside, children's homes, youth hostels as well as the network of arts schools and schools for youth requiring special care.

As far as the universities are concerned, our investment policy will concentrate on the improvement and expansion of the space needed for instruction, science and education, and on the completion of the network of school cafeterias and dormitories. Our basic target is to accommodate approximately 80 percent of the students in the dormitories by the year 2000 except in Prague and Bratislava, where the needs are lower.

By its increased attention to the solution of all pressing educational, cadre, organizational as well as material-technical questions, our communist party will systematically try to improve our entire school system with an eye on needs to accelerate the socioeconomic development of our society.

1277/12228
CSO: 2400/117

RCP'S STOIAN MEETS WITH CRAXI, OTHERS DURING ROME VISIT

Talks With Craxi

AU312104 Bucharest Domestic Service in Romanian 2000 GMT 31 Jan 86

[Text] On behalf of Comrade Nicolae Ceausescu, RCP secretary general and president of the SR of Romania, warm greetings and best wishes were extended to Bettino Craxi, secretary general of the Italian Socialist Party and chairman of the Council of Ministers of Italy, as well as wishes for success and prosperity to the Italian people.

Bettino Craxi expressed thanks and asked the Romanian guest to convey cordial greetings to Comrade Nicolae Ceausescu, as well as wishes for new successes and the expression of his special consideration.

The exchange of messages took place when Prime Minister Bettino Craxi received Comrade Ion Stoian, candidate member of the Political Executive Committee and secretary of the RCP Central Committee, who is visiting Italy.

The two sides exchanged views on the development of relations between the two parties, cooperation at various levels between Romania and Italy, and on certain aspects of the current international situation. Within this framework, the two sides expressed their desire to continue to develop relations between the RCP and the Italian Socialist Party and between Romania and Italy. Special attention was paid to expanding trade exchanges and economic cooperation between the two countries, and the broad opportunities offered by the economies of both countries were stressed.

Discussing certain aspects of the international situation, the two sides emphasized that the basic problem of our time is halting the arms race and proceeding to disarmament, primarily nuclear disarmament, and stressed the need to unite efforts of progressive and democratic forces, governments, and peoples for this purpose.

The RCP delegation led by Comrade Ion Stoian, which is visiting Italy at the invitation of the PCI, also had talks with Paulo Bufalini, member of the directorate of the PCI and chairman of the Central Auditing Commission; Gian Carlo Pajetta, member of the directorate and secretariat of the party

Central Committee; Luciano Magri, member of the party directorate; and Antonia Rubbi, member of the party Central Committee and chief of the foreign relations section.

The Romanian delegation also met with the leadership of the Gramsci Institute and of the Study Center for International Policy and paid a visit to the Federation of the PCI in Rome.

During the visit and talks, the two sides briefed each other on the activity and concerns of the two parties. Special attention was paid to certain aspects of the current international situation and of the communist and workers movement. The sides stressed the desire of both parties to intensify contacts and to develop ties in the interest of the two parties, countries, and peoples.

Meeting With PCI Leader Natta

AU011728 Bucharest AGERPRES in English 1630 GMT 1 Feb 86

[Text] Rome, AGERPRES 1/2/1986--Alessandro Natta, general secretary of the Italian Communist Party, received a delegation of the Romanian Communist Party headed by Ion Stoian, alternate member of the Executive Political Committee, secretary of the CC of the RCP.

From Nicolae Ceausescu, RCP general secretary, a warm salute and best wishes of good health and success were conveyed to the general secretary of the Italian Communist Party, Alessandro Natta, and wishes of new achievements in the party's activity.

Alessandro Natta thanked for the message and asked that Nicolae Ceausescu be conveyed a cordial salute and best wishes of good health and personal happiness from himself and the direction of the Italian Communist Party.

During the talks, both sides expressed satisfaction at the growing evolution of the relations of friendship, collaboration and solidarity between the RCP and the PCI. Stress was laid on the joint resolve to intensify and expand more these relations, on the basis of mutual esteem and respect, of full equality, in the interests of the two peoples, of the friendship between Romania and Italy, of the general cause of social progress, of socialism, detente, security and peace the world over.

Information was exchanged on the situation in the two countries, on the current and long-term concerns and targets of the two parties.

The exchnage of views on the international situation evinced the two parties' identical or similar positions on the major problems of the evolution of the comtemporary world, of the struggle for detente, disarmament, nuclear disarmament in the first place, for the ensurance of peoples' right to existence, peace and life.

Received by Spadolini, Others

AU011733 Bucharest AGERPRES in English 1638 GMT 1 Feb 86

[Text] Rome, AGERPRES 1/2/1986--Giovannia Spadolini, secretary-general of the Republican Party of Italy [PRI], received Ion Stoian, alternate member of the Executive Political Committee, secretary of the CC of the RCP. On the occasion from Nicolae Ceausescu, RCP general secretary, president of Romania, a message of cordial salute was conveyed to the secretary-general of the Republican Party of Italy.

Giovanni Spadolini thanked and asked that Nicolae Ceausescu be conveyed a cordial salute.

During the talks aspects were approached related to the current activity and concern of the two parties, as well as problems of the international life.

Stress was laid on the evolution of the fine relations of friendship and collaboration and the RCP and the PRI and the wish was expressed to work for the intensification of their links and of the Romanian-Italian relations in policy, economy, technics and science, culture and other fields of activity.

Giorgio la Malfa, deputy secretary-general of the PRI, chairman of the Foreign Policy Commission of the Chamber of Deputies of Italy, attended the interview and talks.

While in Italy, the RCP delegation headed by Ion Stoian, alternate member of the Executive Political Committee, secretary of the CC of the RCP, also met and conducted talks with Senator Fabio Fabbri and Deputy Angelo Cresco, members of the Directionate of the Italian Socialist Party, and Filippo Fiandrotti, secretary of the Chamber of Deputies.

/6662
CSO: 2020/87

CEAUSESCU RECEIVES NORWEGIAN AMBASSADOR'S CREDENTIALS

AU311641 Bucharest AGERPRES in English 1530 GMT 31 Jan 86

[Text] Bucharest AGERPRES 31/1/1986--January 31, President Nicolae Ceausescu of Romania received Knut Erling Sagen, who presented his credentials as ambassador extraordinary and plenipotentiary of Norway to Romania.

Handing over the credentials, the ambassador conveyed President Nicolae Ceausescu choice greetings from his Majesty Kong Olav V of Norway.

In the ambassador's address stress is laid on the Norwegian Government's satisfaction at the evolution of the relations between Norway and Romania, as well as on its resolve to further work for the continuous strengthening of these relations for the development of the Norwegian-Romanian cooperation in domains of common interest. Emphasis is also placed on the decisive importance of the official visit paid by Romania's president to Norway in 1980 for the development of fine relationships between the two countries.

On receiving the credentials President Nicolae Ceausescu thanked for the feelings expressed and also conveyed cordial wishes to the King of Norway, and wishes of progress and prosperity to the friendly Norwegian people.

In the Romanian head of state's address of reply the positive evolution of the relations of friendship and collaboration between Romania and Norway is assessed in the positive and it is stressed that Romania attaches special importance to the development of the Romanian-Norwegian collaboration and cooperation, in keeping with the two countries' economic potential, which allows for a more marked increase of economic, technico-scientific and cultural exchanges and exchanges in other domains. Fine conditions are shown to exist for Romania and Norway, two Euorpean countries, to develop a fruitful cooperation at the Stockholm Conference and at the UN for the settlement of the major issues confronting our continent, for understanding, security and peace the world over.

Stress is also laid in the address on Romania's resolve to steadily work for the promotion of cooperation and security in Europe, for the development of a broad cooperation internationally, without obstacles and discriminations, for the eradication of underdevelopment and the building of a new world economic order, for the achievement of disarmament, for the safeguarding of security, cooperation, and peace throughout the world.
/6662
CSO: 2020/87

CEAUSESCU RECEIVES ECUADORAN AMBASSADOR'S CREDENTIALS

AU311618 Bucharest AGERPRES in English 1525 GMT 31 Jan 86

[Text] Bucharest AGERPRES 31/1/1986--President Nicolae Ceausescu received on Friday, January 31, Filoted Samaniego Salazar, who presented his credentials as ambassador extraordinary and plenipotentiary of the Republic of Ecuador to Romania.

Handing over his credentials the ambassador conveyed Nicolae Ceausescu the cordial salute of the president of the Republic of Ecuador, Leon Febres Cordero Ribadeneyra, and the Romanian people wishes of progress and welfare.

In his address, the ambassador highlighted the fine links between Romania and Ecuador and expressed the wish to further develop the cooperation between the two countries in various areas of activity, as well as Ecuador's concern to cooperate closely with Romania on an internal [as received] plane.

Receiving the letters of credence, President Nicolae Ceausescu thanked for the message and conveyed the president of Ecuador a warm salute.

In his address, the Romanian head of state highlighted the wish to expand and diversity bilateral cooperation between Romania and Ecuador--economically, politically and in other fields of mutual interest--starting from the existing favorable conditions, to further work for the implemenetation of the understandings reached during the Romanian-Ecuadoran summits, of the provisions of the bilateral documents in force.

Socialist Romania, he said, is deeply interested in developing broad collaboration and cooperation with all the states of the world in the fight for progress and peace. In this framework, Romania works for the strengthening of friendship and collaboration with the Latin American countries, with the developing and non-aligned countries. The Romanian head of state also showed [as received] that the fundamental questions of the international life were the cessation of the arms race and the achievement of a passage to disarmament, to nuclear disarmament in the first place, and stressed that everything possible should be done to prevent a nuclear disaster, to safeguard the people's foremost right to life, peace, free and dignified existence.

/6662
CSO: 2020/87

POLITICS ROMANIA

DECREE ON WEAPONS, AMMUNITION AMENDED, SUPPLEMENTED

Bucharest BULETINUL OFICIAL in Romanian Part I No 4, 21 Jan 86 p 2

[Council of State Decree Amending and Supplementing Decree No 367/1971 on the Handling of Weapons, Ammunition and Explosive Materials]

[Text] The Council of State of the Socialist Republic of Romania decrees:

Article I--Decree No 367/1971 on the handling of weapons, ammunition and explosive materials, republished in BULETINUL OFICIAL Part I No 21 of 8 March 1976, is amended and supplemented as follows:

1. Letter e^1), with the following content, is inserted in Article 2 after letter e):

"e^1) prop weapons, which are firearms which have been transformed or adapted so that they can be used only with blank ammunition, which are intended for use in the artistic and production activity of the "Bucuresti" Cinematographic Production Center, the Bucharest State Circus and the theaters."

2. Article 17, letter d) will have the following context:

"d) is in the situation described in Article 32, paragraph 3;"

3. Article 24, paragraph 2 will have the following content:

"The Romanian Shooting Federation and the Economic Enterprise for the Management of Bucharest Sports Grounds can organize, with the approval of the National Council for Physical Education and Sports, familiarization courses or training courses in various types of marksmanship; such as air rifle, bullet, trap, skeet, wild game and live pigeon shooting, for foreigners who are in the Socialist Republic of Romania, with payment in hard currency, as well as for Romanian citizens, with payment in lei."

4. Article 26 will have the following content:

"Article 26--Cultural and art institutions, as well as cultural-artistic and sports associations, can have panoply weapons in their possession which they are obliged to register with the militia organs.

The "Bucuresti" Cinematographic Production Center, the Bucharest State Circus and the theaters can possess and use prop weapons which they are obliged to register with the militia organs.

The necessary prop weapons can be obtained from the Ministry of National Defense and the Ministry of the Interior, from the supply of weapons which are no longer in use. The necessary blank ammunition can be obtained from the producing enterprises and from the Ministry of National Defense and the Ministry of the Interior.

The possession of panoply weapons which are in operating condition or of prop weapons by the socialist organizations specified in paragraphs 1 and 2 is permitted only on the basis of an authorization which is issued by the Bucharest Municipality militia or by the militia of the country in whose territorial jurisdiction these organizations have their headquarters, under the conditions stated in AVticle 10 which are applied appropriately."

5. Article 32, paragraph 3 will have the following content:

"The persons specified in paragraph 1 must hand over their pistols to the appropriate organs when they become members of the reserve or when they retire."

6. Paragraphs 4 and 5 of Article 32 are abrogated.

7. Article 54 is supplemented by a new paragraph with the following content:

"Weapons belonging to the Romanian Shooting Federation and to sports clubs and associations with marksmanship sections, which are no longer used for competition, can be used by individuals and juridical entities which have a right to possess them, with the exception of weapons with 5.6 mm caliber bullets which can be used only by authorized juridical entities."

Article II--Within 30 days of the application of this decree, the General Inspectorate of the Militia will draw up norms for its application, which will be approved by the minister of the interior.

Nicolae Ceausescu
President of the Socialist Republic of Romania

Bucharest, 20 January 1986

No 18

/9274
CSO: 2700/93

BRIEFS

TEODOR COMAN VISITS IRAQ--Baghdad, AGERPRES 3/2/1986--Teodor Coman, chairman of the People's Councils Affairs Committee of Romania, who pays a visit to Iraq invited by the local government minister, was received by Taha Yasin Ramadan, member of the Revolutionary Command Council, Iraqi first deputy premier. On the occasion, high appreciation was shown at the development stage of the manysided ties between Romania and Iraq and the joint wish was expressed to boost them, also at the level of the two institutions concerned with local administration questions, in keeping with the understandings set at top level. Teodor Coman also met with Hasan 'Ali, member of the Revolutionary Command Council, with the local government minister, with Iraqi province governors. [Text] [Bucharest AGERPRES in English 1734 GMT 3 Feb 86 AU] /6662

TRANSPORTATION NORMALIZING AFTER SNOWFALLS--Bucharest, AGERPRES 4/2/1986--Things went back to normal in the wake of the steps taken in the southern and eastern parts of Romania that have been under heavy snowfalls in the last few days. At present, railroads and railway installations are no longer affected by weather conditions. As for road traffic, it is disrupted on several national road sections in the southern part of the country. Traffic is difficult on a number of roads in southern Muntenia and Oltenia. First-lane two-way traffic is possible on the Bucharest-Pitesti motorway. Operations are in full progress to clear the roads that were closed to traffic. Freight and passenger road transport is affected in several counties in Muntenia and Oltenia. Activites are carried on in normal conditions in all the Romanian Danubian ports, with the exception of the ports at Bazias, Moldova Veche, and Svinita, where activity is hindered by a rough wind. The situation went back to normal in the port of Constanta. All airports are opened to traffic. Postal and telecommunications installations operate normally. [Text] [Bucharest AGERPRES in English 1923 GMT 4 Feb 86 AU] /6662

CASTRO'S THANKS FOR ANNIVERSARY MESSAGE--To Comrade Nicolae Ceausescu, RCP secretary general and president of the SR of Romania. On behalf of our people, of the Communist Party and the Government of the Republic of Cuba, I send you most sincere thanks for the fraternal message of greetings you sent us on the occasion of the 27th anniversary of the victory of the Cuban revolution. Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba and president of the Council of State and of the Government of the Republic of Cuba. [Text] [Bucharest SCINTEIA in Romanian 26 Jan 86 p 7 AU] /6662

JAPANESE CP LEADERS 'THANKYOU'--To Comrade Nicolae Ceausescu, RCP secretary general. Dear Comrade, We thank you for the cordial greetings you sent to us on the occasion of our election by the first plenary session of the 27th congress in the functions of chairman of the Central Committee and of the chairman of the Presidium of the Central Committee of the Japanese Communist Party. We wish you full health and success in your activity. With communist greeting, Cenji Miyamoto, chairman of the Central Committee; Tetsuzo Fuwa, chairman of the Presidium. [Text] [Bucharest SCINTEIA in Romanian 24 Jan 86 p 5 AU] /6662

REFUGEES ARRIVE NETHERLANDS--Amsterdam, Feb 11 (AFP)--Thirty-nine Eastern European refugees, mostly Romanians, persecuted in their own countries for political, religious or ethnic reasons, arrived here today from Yugoslavia, an official spokesman said. The refugees were accepted here temporarily as a first stage towards resettlement in the West, at the request of the Geneva-based UN High Commissioner for Refugees Office, which arranged their travel in agreement with the Belgrade authorities. [Text] [Paris AFP in English 2028 GMT 11 Feb 86 AU] /6662

CSO: 2020/87

END

JPRS-EER-86-038

15 March 1986

East Europe Report

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ECONOMY

GERMAN DEMOCRATIC REPUBLIC

INCREASED REPROCESSING REDUCES INDUSTRY'S FRESH WATER DEMAND

East Berlin TECHNISCHE GEMEINSCHAFT in German Vol 33 No 11, Nov 85 (Signed to press 14 Oct 85) pp 3-4

[Article by Rudolf Miehlke, engineer, member of the presidium of the Chamber of Technology [KOI], chairman of the KDT association on water: "The resource important to life"]

[Text] The Directive of the Politburo of the Central Committee of the SED and the Ministerial Council of July 21, 1984, on the rational water use during the period of the five-year plan from 1986 to 1990 states that for the further realization of the economic strategy of the SED for the 1980's in water management the further heightening of the intensification is required. The Directive names as the main road towards this the goal-oriented, rational use of water. It is the principal area for creative ideas and initiatives and an important crucial point of labor for the deserving preparation of the 11th Party Congress of the SED.

The constantly growing and long-term demands for a quality oriented and stable drinking water supply for the populace, water processing systems necessary to ensure a high rate of growth of production and for further intensification in agriculture, as well as improvement of the natural environmental conditions require everywhere the rational use of water. They require rational water use, increased protection of ground and surface water from pollution with aqueous toxic substances, intensive effluent treatment, and accelerated the recovery of valuable substances. The constant increase in performance and efficiency of the water management plants and installations is necessary for all branches of the economy.

In this sense the political-ideological efforts of our leaders is important. It is important to explain that the great importance of rational water utilization, and of a method of water protection inseparably connected with this, is derived on the one hand from requisites of the economic strategy of the SED and on the other from the status of water utilization reached at the beginning of the 1980's in the GDR.

Rational water use and (environmental) water protection are inseparably connected with the main objective and fixed component of the economic strategy of the Party of the Working Class. The Water Law passed in July 1982 by the People's Chamber takes into account these requirements.

The results so far from the carrying out of rational water use during the years 1981 to 1984 show that these efforts are rewarding. That was also made clear by the seminars on rational water use held during the third quarter of 1985 in all districts.

Thus, for example, in the economy instead of the predicted rise in water use of an annual one percent, an absolute reduction of 1.4 percent was successfully achieved, including even 5.7 percent in industry. The specific water demand was reduced by about 19 percent.

Less Drinking Water for Production

The combines and plants of industry can display additional advances with reduction in withdrawal of drinking water from the public water system for production purposes. By the end of 1984, 32 million cubic meters had been used, or six percent less drinking water than in 1981. The quantity was consumed mainly by the drinking water needs of the populace. The drinking water consumption by the populace rose 13 percent. In 1984, water amounted to an average of 133 liter per person daily.

It was possible to reduce water pollution, while effluent loading with organic substances dropped by about 10 percent. With this, the conditions for the multiple use of water were improved.

Water supply for irrigation was increased by about 20 percent. At that time this comes to 17 percent of the available water supply in a drought year.

Rational use of water and better treatment of effluent make it possible to provide for the rising needs of the populace and agriculture, with significantly little expenditure. Accordingly, 4.9 billion marks in investments and 390 million kWh of electrical energy were saved. The result of this is sinking operating costs.

Where rational water use is consumed, those collectives are exemplary that strive for the honorary title "Ideally Working Plant (or Combine) in Water Management" in industry and agriculture. In 1985 honorary certificates and prizes were awarded to 143 such collectives in all branches of the economy.

The results show that, with this motivation, large reserves would be released in our republic. In this manner, specific water demand sank by about an average of 30 to 60 percent and absolute water consumption by 51 million cubic meters. The withdrawal of drinking water from the public water supply for industrial purposes could be reduced by almost 9 million m^3. Beyond that plants made available from their own installations almost 14 million m^3 drinking water annually for the central supply. From the effluents valuable substances at a value of over 33 million marks annually were recovered including above all lead, copper, and silver, as well as fibers, fats, oils, whey, yeast, and grains.

KDT Decisively Involved as a Unit

The members and collectives of the KDT cooperate actively on numerous KDT objectives and other initiatives in this economically important movement. Thus, the technical subcommittee on water management in light industry with the results from the KDT objective in the VEB Leather Works Weida has contributed to the fact that it could be started a year earlier with investment preparations. With the proposed process the reduction of the organic loading in the effluents by 60 percent and the sulfide content by 99 percent was successful as well as the recovery of fat/albumen by 71 percent and chromium compounds by 90 percent.

Beyond this, the technical subcommittee became involved in the VEB Oberlausitzer Textile Plant and the VEB Neukircher Leather Factory with the establishment of a water management laboratory as well as provided intensively consultation on the solution to effluent problems to the plants VEB Trikotex Wittgensdorf, VEB Two-Cylinder Spinning Mill, VEB Bright Dye Works Limbach-Oberfrohna, and VEB Bandex Steina.

But also other collectives show, with their initiatives, a mature consciousness. The KDT active of the Combine Sugar has developed great activities toward the utilization of intermediates and waste products of sugar refining for a biotechnical use. Through the collaboration of the industrial sections of the Institute for Research and Rationalization for the Sugar Industry and the Sugar Factory Haldensleben a process for the anaerobic treatment of highly polluted effluents was worked out as well as a large scale pilot plant was prepared. In connection with this, there has been a significant reduction of processing water consumption in sugar factories and a significant increase (up to 80 to 90 percent) in the degradation capacity for organics with the lowest processing costs. The gains, that are achieved with the large scale pilot plant, come to 328,000 marks.

Great efforts are becoming visible in other areas too. The Non-Alcoholic Refreshing Drinks Co. and the Technical Subcommittee for Water Management in the Food Industry are instituting in cooperation the recovery of valuable substances at the bottle washing machines of the MDG construction series. The process already used in breweries of liquor circulation makes possible through the recovery of valuable substances an effluent clean up and the elimination of investment for effluent treatment installations.

During a seminar in May of this year the data from the large scale experiments in the VEB Municipal Brewery Olbernhau were evaluated, solutions for the in-house reuse of rinse water from bottle washing machines, e.g. as boiler feed water and industrial use water, were presented, as well as information was presented on the bottle washing program of the VEB Machine and Steam Boiler Construction Gera, which contributes to water and energy savings. These are data which the recommendation of the research Association for Water should suggest to the FV/WTG [Research Association/Scientific-Technical Society] areas of water use for the inclusion of the rational water use in its branch specific endeavors.

The Technical Association for Water is constantly striving to take into account with its arrangements for further education the great economical desire for rational water use.

Accordingly, the 15th Effluent Technology Seminar on the subject of "Effluent Treatment and Recovery of Valuable Substances - Decisive Components of the Rational Water Purification" that was carried out in cooperation with BV Gera, was used in order to present new, more advanced technologies from various water using areas of the economy and recovery processes. The seminar confirmed the flotation process, adsorption process, as well as the emulsion calculation as equally promising and multivalently applicable efluent purification principles. With flotation considerable, efficiency in the recovery of valuable substances can be achieved.

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AUTOMATION INITIATES COMPREHENSIVE INDUSTRIAL, SOCIAL CHANGE

East Berlin WIRTSCHAFTSWISSENSCHAFT in German Vol 33 No 10, Oct 85 pp 1467-85

[Article by Werner Huebner, Dr of Economics, Certified (Industrial) Engineer, born 1938, scientific assistant with the Central Institute for Economics, GDR Academy of Sciences; and by Peter Straehmel, Dr of Economics, Certified Economist for (Industrial) Engineering, scientific assistant with the same institute. Original title: "Automation--A Basic Factor of Comprehensive Intensification".]

[Text] At the ninth SED Central Committee session Erich Honecker pointed out that "the time has come to make a decision that takes our thoughts on our country's development up to 1990, even up to the threshold to the year 2000."[1]

For the future economic development up to 1990 and beyond it is important to get much out of those factors especially that ensure over the long run, stably and irreversibly, the process of intensively expanded socialist reproduction. That was emphatically endorsed at the 10th SED Central Committee session. The sources and substance of growth are changing during comprehensive intensification while they in their specific ways and means determine the course and tempo of expanded reproduction.[2]

Among the long-term stable factors of comprehensive intensification undoubtedly is the automation of production and labor. Of it one rightly expects for now and the years ahead strong impulses on our society's economic and social development. Theoretical and practical generatlizations on the essential substance of automation, its revolutionary function in the system of the productive forces, the main trends and stages of its development, and the consequence and scope of its effects on socioeconomic development are important and necessary tasks in economic science research. They ensure the necessary leads in insight to guarantee a high efficiency and performance growth and the enforcing of socioeconomic aspects under the conditions of comprehensive intensively expanded reproduction.

Economic science literature has often presented research results and discussed *basic problems on the substance and developmental trends of automation* and its socioeconomic effects.[3] Many questions of the social application and development of automation call for more of a clarification still, however, from the political-economic point of view. That includes above all more penetrating knowledge on the further development of automation as dependent on the production goal, the overall economic framework conditions, the scientific-technical innovations, and the socioeconomic conditions; the substantive characteristics of automation and its effects from the social point of view; and problems of the social planning and management for the economic spread of automation. Surveys on these sets of problems are of great importance right now because, for one thing, none but microelectronics facilitates a fundamentally new and qualitatively higher level of automation yet, on the other hand, none but the total effects of this new quality can properly characterize the role and position of automation in comprehensive intensification. The following remarks intend to comment on some of the technical-economic and the socioeconomic aspects.

Microelectronics--Basis for a New Quality of Automation

The technical status of testing, control and regulating techniques thus far largely controlled the developmental level of automation. Mechanical, hydraulic, pneumatic, electrical, and electromagnetic control and regulatory mechanisms would for a long time constitute the essential components of automation technology. It had a harshly confined capacity for the data collecting, storage, transmission, and processing in the production process. It was hardly possible to carry on any complex information exchange, let alone an automatic overall handling of the various parts of the system. The data processing side of automated production processes lagged far behind the other two components, energy and material conversion, in its technical-economic development and ultimately became a constraint to the further development of the process techniques. A high degree of automation attainable in production was correlated with relatively rigid production procedures in mass production, primarily in energy and operational techniques. While traditional automation techniques had initially paved the way for modern synthetic chemistry and the output in power plants and in metallurgical enterprises and in the mass production of the processing industry, already in the 1960's these techniques showed the tendency of putting a brake on increasing the rate of the process, optimal process operation, a qualitative and quantitative increase in the production volumes while keeping even or reducing energy and raw material investments, on the technical-technological utilization of microstructural natural processes and the coping with the management and control efforts, rising due to constantly greater complexity, the effort, that is to say, information called for. Sectors with high data processing requirements, such as the nonproducing sectors and the sectors outside of production itself (R&D, planning and management) as well as the production branches in small and medium-size series production could hardly raise their productivity and efficiency levels by means of these automation techniques. Nor did the use of ADP in the 1960's change that substantially because, for one thing, a spread of the data processing side could technically be realized but incompletely, because of lacking decentralized (spatially distributed) and hierarchically structured systems, for example. On the other hand, these techniques precisely were too susceptible to interference and called for high function-specific economic expenditures. In the late 1960's the GDR developed systems to improve productivity and efficiency in the metal-processing industry. That included the streamlined technical production preparation automation system (AUTEVO) with its part component of automating mental work in the range of that technology (AUTOTECH) and in design/project planning (AUTOKONT/AUTOPROJEKT) and the setting up of centralized production facilities for making individual parts and components. All these systems, however, could not be effectively enforced over the broad economic scale at the time by means of the automation techniques then available.

The transition to comprehensive intensively expanded socialist reproduction calls for surmounting such inhibiting factors.

Through the development of microelectronics the prerequisites have been and are being laid forsurmounting the inhibiting factors of "traditional" automation step by step. It is clearly apparent that this process goes very fast and the limits of that development still are not foreseeable. Microelectronics, however, not only makes possible a new qualitative automation level, it mainly also creates the conditions for shortening the thus far still more or less lengthy historic process from the simple technification of more and more fields of work down to their automation. Important here is the possibility to leap over specific distinct technification levels, of the "division of labor, which already transforms the workers' operations more and more into mechanical ones, so that at a certain point the mechanism can take over for them,"[4] as it was typical of the development of big industry. Microelectronic automation technique makes possible achieving the technification of human labor operations in larger complexes and on a higher technical level from the outset, without having to use successively technical, mechanical, or partly automated working tools for each part of the labor.

The technical-economic potentials of microelectronics cause a penetrating, qualitative and quantitative, upward development of automation technique, especially by the following effective influences:

First, through microelectronics new automation technique elements are tapped, especially for collecting, storing, processing, and transmitting complex data. Of elemental importance to it are the microprocessors which, with their extra microelectronic components like program storage, data and labor storage, and input and output units, form the core of the future automation techniques. Microporcessors and storage units form the basis, for one thing, for the needed transition from the central to the decentralized control over machines and installations and, on the other hand, for the combination of central and decentralized controls into control or computer hierarchies. Even by directly integrating computer and ADP technology, the technical means of automation attain a new quality.

Second, the use of microelectronics on the one side leads to increasing substitution and, on the other, to a technical integration of the conventional testing, control, and regulatory techniques. Electronics' entering the process sequences, the control and regulation of processes under real time operations, calls for a broad spectrum of microelectronic elements to gather and process information. Of special importance here are relevant microelectronic sensors which, coupled with microcomputers, can e.g. collect, convert, analyze, store, and process physical entities like pressure, vibrations (sound, that is, even language in the future), heat, magnetic fields, beams, directly and in small units. The further growing performance potential of microelectronics in connection with other innovations directly initiated by it (such as the condenser relay techniques) also raises the elements of the testing, control and regulatory techniques onto a completely new qualitative level.

Third, microelectronics forms the foundation for pervasive changes in the information infrastructure through the development of new media, new transmission and communications systems, and local, regional, and international networks. The formation and fusion of some partial areas in the information and communications systems and their close link with the material production processes will significantly lead to a higher social complexity and flexibility of automation solutions. From control and regulatory electronics, from computer-aided design and processing systems, and from others, data (language, text, picture, data through possible conversions from analogue into digital signals and vice versa) can be made available at virtually any quantum, at any time and anywhere. Especially the chances for controlling central and decentralized operational and territorial streams of information, i.e. of the complex multivalent use of data once received, lead to an extremely strong reduction of the thus far economically advantageous automation threshold. The scope of the effectively automatible functions of the reproduction process increases enormously.

Fourth, introducing microelectronics leads to the formation of two basic and relatively independent components of automation technique, the hardware and the software. As an indispensable component of the means of automation, software is an element of working tools completely new in quality. "Hardware cuts short and intensifies the processes through its working speed and synchronizes the various processes, but the qualitative changes of the labor processes and their control goes via the software."[5]

For the quality of automation solutions both elements are of elemental importance. Qualitatively and quantitatively inadequate software can bring it about that the possible performance potential of the entire automation system fails to become fully effective, so that possibly efficiency losses arise in time sharing and the energy and raw material use and quality deficiencies in the products. Software thus significantly controls the tapping of the hardware's efficiency potential, provided of course that an efficient and constantly operational hardware is in place. Technically inadequate hardware cannot be substituted for by anything, not even by the best software. The latter also always depends on the technical-economic potential of the hardware. Important though for controlling automation solutions is that with the increasing efficiency and increasing degree of integration in the application systems the qualitative and quantitative demands made on the development and maintenance of the software mount drastically in part. Gilde, for instance, says about using robots: "A widespread error is the belief that electronics (Authors: i.e. the hardware) is decisive in the use of robots. The most important and most difficult and, over the long haul, the most costly and expensive is the software."[6]

The fifth point relates to the application of microelectronics together with the miniaturization of automation technique, the higher labor velocity, the flexibility and reliability of the systems, the relative and absolute reduction of energy and raw material consumption as well as of the maintenance and repair expenditures. Especially important for the cost and efficiency level of automation technology is the further sustained positive cost/benefit ratio for microelectronic components. It is nationally as well as internationally perceivable that dropping or stagnating prices for components are also going to contrast in the future with an electronic performance growth in magnitudes.

Table 1 demonstrates those trends by the example of the development to be expected on the capitalist world market for microelectronic storage elements. Accordingly, the price for chips per million is to plunge from $ 50,000 in 1973 to $ 60 in 1990. Particularly via its exponentially growing functional crescendo and the exponentially falling cost/benefit ratio of its components (while resorting less to resources), microelectronics creates its potentials for the development, production, and application of labor, fund, material, and energy-saving automation techniques.

The development of automation technique proceeds in close interaction with that of process techniques. Compared with the extremely high developmental speed of automation technique, initiated by microelectronics, the process techniques at this time change still relatively slowly.[7] The rapid development potential of automation technique based on microelectronics already runs up against constraints due to the slow rate of innovation in process techniques. Such a reversal is indicated that conventional process techniques can now put a drag on the further development and effective use of automation. "More efficient and cheaper storage units and control systems can less and less be grafted onto aggregates of conventional design. The designs themselves under the impact of improved control techniques are drawn into the accelerated process of change."[8] The advances in machine tool construction, e.g., are mainly based on the application and constant upward development of modern CNC [computer numeric control].[9] That development, however, in no way means that existing proportions will continue forever. On the contrary, automation strategies will in the future have to focus on including new process techniques. Also in this sense must one understand the guideline for the new phase of the economic strategy, "to boost efficiency and productivity importantly through new products and modern technologies."[10]

The long-term development of automation technique and, hence, its efficacy to perfecting the production structures, the economic efficiency and performance improvements, will, especially after 1990, be significantly marked by the development of computers with a so-called artificial intelligence (computers of the 5th generation). By this developmental trend one will reach the transition from simple, formal to combinational data processing, to knowledge processing, as it were. Systems of this sort will form the basis for solving complicated labor requirements and supporting rapid and expert decision-making. They will facilitate, e.g., the input and output of data by means of natural languages and graphics, the development of highly integrated programming, a higher qualitative development of decentralized data processing, and its link with other systems over large geographic distances. Extremely efficient computers will form the basis for new generations of product and process controls.[11]

Table 1. Trend of the Cost/Benefit Ratio for Microelectronic Storage Units on the Capitalist World Market

	1973	1978	1983	1988	1990
Cost/benefit ratio ($ per megabyte)	50,000	5,000	500	100	60
Storage capacities (kilobyte)	1	16	64	256	1,024

Source: "The Price Miracle," CHIP, No 10, 1984, p 266.

What is uniquely important in this trend is that the production intensification becomes feasible in a new fashion. That sort of a level for ADP facilitates within the process of comprehensive intensification a shift of emphasis for production boosts from a primarily physical to a primarily mental type of work,[12] which opens up virtually unilimited potentials for intensification. So automation becomes an essential and stable factor of comprehensive intensification, effective on long-term, because it greatly controls the level and dynamics of productivity and efficiency.

New Quality of Automation and Comprehensive Intensification

What comprehensive intensification is all about, after all, is that, on the one side, the entire economy, all its sectors, not just some branches or combines, will move toward intensification, including even the sector of individual consumption, and, on the other side, the cost/benefit ratio is improved, relative to all types of outlays and forms of consumption, and by use of all intensification factors.

Proceeding from the various influences indicated on the continued stable shaping of the intensification processes, the following effects of qualitative changes in automation seem to be especially significant.

First: Practically, automation solutions can take effect in all production and labor sectors. The automated field of application therefore expands fundamentally. Thus far, the direct production processes in energy and operations techniques and the large series and mass production were preferred fields of application. Yet in the future more or less all sectors of the social production and labor process will gain access to automation. Thereby automation invades fields of work that had hitherto been reserved to immediate human action or were typical of the lower levels of mechanization. That circumstance has extraordinary consequences for the intensification process and is tied up with pervasive socioeconomic changes.

Through the possible extension of automation to mental work in the sectors outside of material production and in the non-producing sectors, but also through possibly including direct production processes that had thus far been largley closed to automation, such as small and medium-series production, the field for the economic application of automation techniques becomes much wider, and new and stable intensification factors can on the long run be opened up.

The scope of the sectors of "non-material" mental production, the production of ideas, concepts, consciousness and its forms, as Marx and Engels put it,[13] increased steadily in the past. In highly developed industrial states the number of those directly engaged in production receded or stagnated. The number of those engaged in the sectors ourside of production and in non-producing sectors climbed considerably in part, a trend typical also of the GDR, as Table 2 demonstrates. The automation that is possible for primarily mental work leads in those work areas, in addition to essential performance improvements, to a relative or absolute saving in live labor, to a reversal or narrowing, i.e., of the developmental tendencies thus far. While in the past the indirect production sectors primarily were the sources for gaining manpower, in the future that will also be true of sectors of primarily mental work. This labor is highly skilled, mind you, for which the social reproduction expense and reproduction period this way can relatively much be reduced. In 1980, e.g., 62 percent of those engaged in R&D were made up of college and technical school graduates. Their proportion of the work force in non-producing sectors came to some 43 percent in 1983. Nearly half of the work force in our economy with college or technical school diploma is in non-producing sectors.

However, in the historic development of the social division of labor at the same time important productivity and efficiency differences evolved between the sectors primarily with physical and those primarily with mental work. Office work performance developed much more slowly than the productivity in material production. Expert estimates indicate that in the last 100 years (1880-1980) productivity rose by some 1,400 percent in the world; yet the rate of performance improvements in the office, and so also that of production preparation, is said to come only to some 40 percent. The discrepancy is, not last, attributable to that each office job in the period under consideration made for less than one-tenth of the investment placed for a release in the productive sector.[14] How important it is to overcome, particualrly, this gradient in efficiency becomes clear when one considers the developmental trend in the ratio between principally physical and principally mental work in the total social labor system (cf. Illustration 1). Even if the trend shown in that illustration may not have been as even and at the indicated altitude, historically speaking, the rapid increase in principally mental work over recent decades is clearly apparent--as it is also borne out by Table 2.

Yet to the extent that primarily mental work becomes the decisive component in the production and labor processes, its efficiency likewise becomes the decisive factor in overall economic efficiency.

The possible increase in the efficiency of mental work by means of a qualitatively new automation technique constitutes an essential point of departure for accelerating scientific-technological progress as the most important intensification factor. Particularly in the science-technology-production-sales cycle, the efficiency of the principally mental work becomes the crucial factor.

Table 2. Trend of the GDR Employment Structures

Years	Ratio between Employees in Non-producing Sectors and Total Work Force (Percent)	Proportion of Production Workers to Total Work Force in Industry (Percent)	mvI[a] (Percent)	R&D Personnel (College, Technical School Personnel)	Total
1955	14.2	72.3			
1960	15.5	71.4			
1970	17.5	65.2	60.4	127,000	67,000
1975	19.0	66.0	60.2	162,000	94,000
1980	20.1	63.5	58.4	182,000	113,000
1983	20.7	63.1	58.5	200,000[b]	

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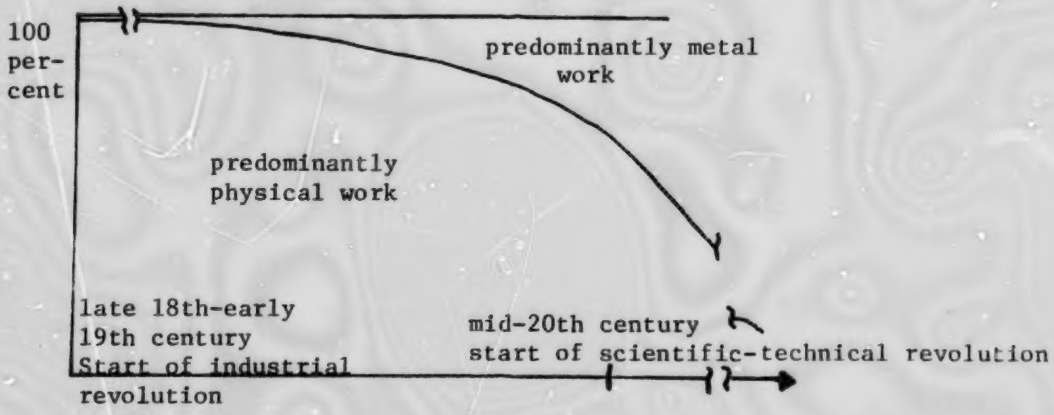
a) mvI=metal-processing industry. In FRG machine building the 75.5 percent proportion of 1960 dropped to 60 percent in 1980. b) 1984.

Source: From data in GDR Statistical Yearbooks and "Blickpunkt Wirtschaft" [Aspect Economics]: "Hohere Effektivitaet durch Wissenschaft und Technik," 1984, p 77.

If one wants to create fundamental scientific-technological insights and solutions for problems, one must have a modern research technique and use it effectively. The point is, after all, to open up to social production an "exceptional" productive force through the R&D process. As the use of machines multiplied the efficiency of physical work, the same will be possible for mental work. The tasks of future developments plainly also has to be to ensure optimal interaction between man and automated working tools in processes principally mental in chracter, so that there too man can become ever more effective in conformity with his performance qualifications. With the increasing linkage between science and production, the efficiency of the material production processes will increasingly be determined by the efficiency of scientific and scientific-technical work which, after all, is primarily mental in nature. The proportion of created value by mainly physical work declines in tendency then, whereas that from mainly mental work increases in tendency. Crucial, however, is the "economic use value" of the results of scientific-technical work because through it the production preparation sectors, such as design and technology, affect the production costs, in machine building, e.g., to between 60 and 80 percent, and the operations periods in small and medium-series production, to circa 55 percent. Increasing the efficiency in the pre- and post-production sectors through various technical-technological factors has positive effects on reducing run-through periods and costs, on possibly raising the product turnover, the quality of output, and the reaction capability to changing market requirements, and in the final analysis it more and more determines the efficiency of the entire operational reproduction process.

Labor processes not automated in immediate material production thus far for economic reasons now can be opened up to automation and dealt with on a higher qualitative level. These are mainly activities where both man's physical and mental work is taken over by robot technology, for instance in assembly processes. In 1980, the proportion of "manual work" in material production was still only 30 percent, but in assembly work almost 70 percent was handled manually, and in auxiliary processes, i.e. intra-plant transport and repair, it came to roughly 60 percent.[15] These "residual positions" of mainly physical work in the production sphere can increasingly better be integrated with automation processes. Process-flexible robots, automated transportation and assembly systems, and other automated machines, devices and installations form the material basis for a more comprehensive intensification of the direct and indirect production processes.

Illustration 1. Trends in Reaching Relative Self-Reliance by Predominantly Mental or Physical Work



It is essential for enforcing comprehensive intensification that all production and labor sectors become more efficient, whatever their size. In the early 1980's, mainly the site-concentrated large enterprises would use the efficiency potential of the new automated technology, but in subsequent years it would make rapid inroads into small and middle-size enterprises. Japan, e.g., expects to operate circa 40 percent of all installed robots in enterprises up to a work force of 500 by 1985. Table 3 shows the estimated spread of some new automation techniques in the United States in terms of size of enterprises.

It is apparent that the future use of this technology is envisaged especially for small and middle-size enterprises. This development is of great interest also to the GDR. Especially in the processing industry sectors there are relatively many medium and small enterprises along with the large-scale enterprises. In the circa 1,350 machine and vehicle construction enterprises, e.g., a high percentage of the workers and employees can be found in enterprises up to a work force of 500.[16]

The use of new automated technology will become an important element for more broadly exploiting the intensification factors also for all middle and small enterprises, in the long run. In our view, the trend toward basically expanding the field of operations is the decisive technical, economic, and social thrust evolving from the new quality of automation.

Second: Another important developmental trend lies in the increasing complexity of automated solutions, i.e. automated single working tools, groups of working tools, and whole processes. This actually involves three closely entwined processes. For one thing one can see the tendency toward an increasing installation character of the working tools, the transition from single machines to machine systems and automated enterprises in production. Secondly, complex territorial automation solutions which already embrace parts of production and labor and consumption are becoming more important. Finally, the possible data processing in all sectors of the reproduction process becomes more complex through integrated information and communication systems. The technical development of all three sides depends significantly on the status and further development of information technology and its integrating capacity.

Table 3. Estimated Use of Automation Technology in Terms of Sizes of Enterprises in the United States (enterprise size proportions in percent)

Use of		1 to 99	100 to 499 employees	500 and more
CAD/CAM systems	(1)	2	8	50
	(2)	15	35	90
CNC-controlled machines and processing systems	(1)	0	4	65
	(2)	10	25	96
Industrial robots	(1)	5	12	45
	(2)	20	35	83

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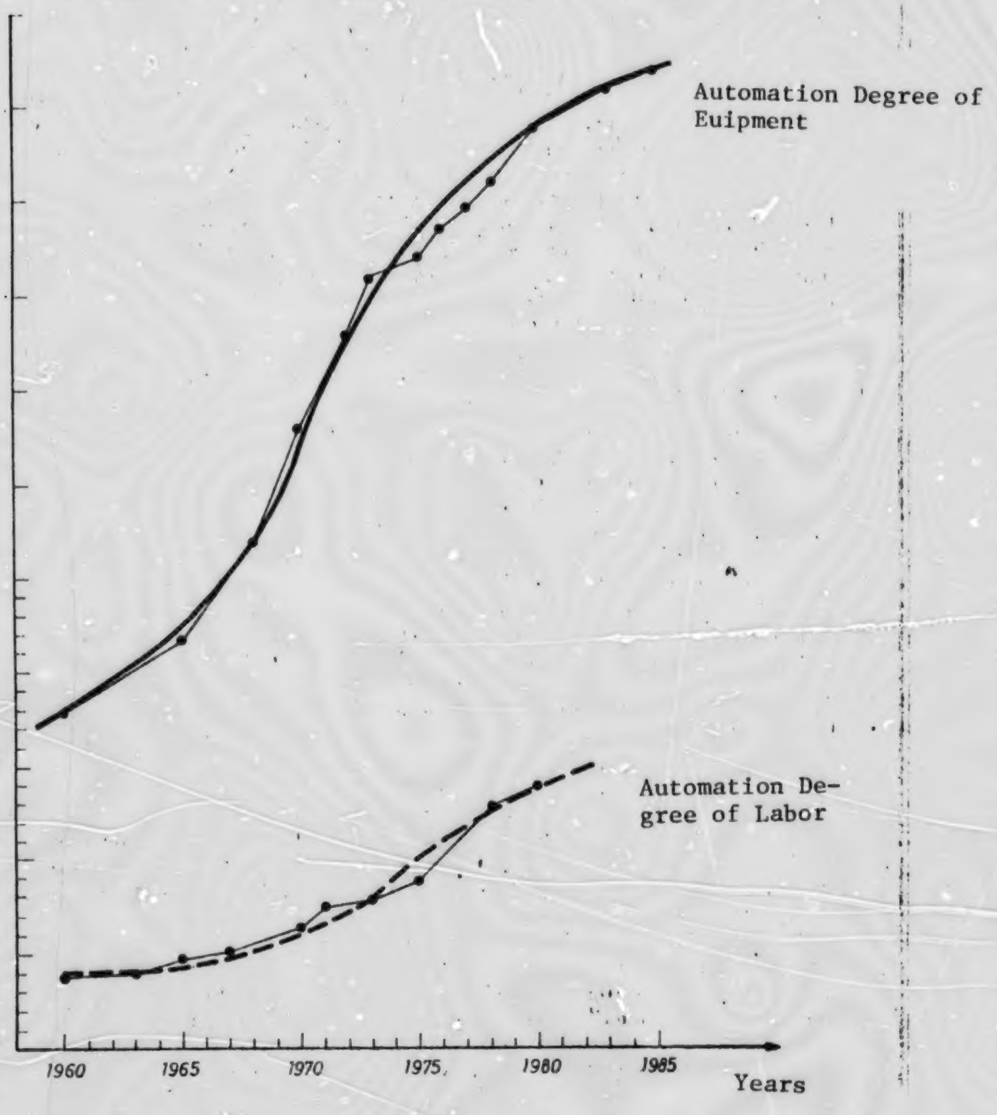
(1) Roughly between 1980 and 1981. (2) Five to 10 years later.
Source: From H. Berndt, "Capitalist Rationalization with Flexible Processing Systems," IPW BERICHTE, No 3, 1984, p 27.

Continually running production processes in energy and operations technology have come for some time with a high degree of complex automation, which results in particular from the high technological thrust of those processes. Discontinuous production processes, on the other hand, were given much less complex a degree of automation thus far. Especially in those enterprises the development is such that would lift the production enterprise onto a higher level as a streamlined production-organizational and production-technical system by means of using a qualitatively new automation technique. In machine building, e.g., the transition from a single machine via technological units to integrated production sectors in which the needed work piece, tool and information flow traverses through a complex system can be seen. Such a development is reflected, for one thing, by a steady elevation of the degree of automation in the equipment and, then also, by its differentiated dynamics (cf. Illustration 2). Roughly

Illustration 2. Development in the Degree of Automation of Labor and Equipment in the Centrally Managed Industry of the GDR



between 1960 and 1973, a relative growth can be seen (mainly an extensive expansion of automation technology in use), yet the relatively small increase between 1973 and 1985 also reflects a stronger linkage of automation equipment into larger complexes due to the transition to a primarily intensive basic assets reproduction (modernization of extant installations). The further spread of automation to always again new production and labor fields is going to lead once more to a progressively increasing trend.

Through the upward development of automation technology, especially the use of computer hierarchies and their being coupled with automated machines, devices, and installations, conditions have become ripe for focusing the automation strategies in all producing sectors on complex solutions throughout. "Automation solutions introduced without regard for the overall connection between production preparation and production operation can always lead only to partial results which mostly, moreover, are unstable in terms of time."[17] That calls for coupling the processes of design and technology, planning, management, and supervision, the materials economy, storage, and transport directly with the production process itself. Complex automation thus presupposes the comprehensive connection between the principally physical labor processes and the principally mental work activities--ultimately a complex fusion of all energy, material and information flow into one unified production process. The increasing complexity of automated solutions then also leads to a progressive integration of all main, auxiliary, provisioning and clearing processes in production. That development leads to automatic systems combining the process computer techniques and the machines equipped with microelectronic controls, the industrial robots, the transportation, transshipment, and storage systems, the measuring, testing, and assembly techniques, and the computer-aided jobs in design, technology, and administration. That goes hand in hand with much of an intensification of the overall technological and economic processes.

Along with the requirements for a better control over the process parameters, complex automation mainly relates to reducing the run-through periods in the production processes and to shortening research processes and the material and financial turnaround, the acceleration, in other words, of the processes in operational and social reproduction. Erfurt's Forming Equipment Combine, e.g., through using complex automation (especially CAD/CAM solutions), was able to trim the run-through period from the signing of contracts to the sale of the commodities from the previous 16-18 months to between 6 and 8 months. Automated systems are the basis for increasing the production upgrading rate of 11 to 16 percent in the early 1980's to more than 30 percent in 1986. Isolated rationalization solutions often lead to remarkable results in cutting down the time frame without the production cycle for the commodities on the whole being significantly reduced because elsewhere the time gained is lost again. Complex solutions are needed to make effects like that take hold. Controlling the time factor as a key issue for the attainable increase in production efficiency also is lastingly affected precisely by the complexity of automation solutions.

Territorial complex automation solutions embracing parts of the production and labor sectors and consumption can constitute another important point of emphasis for comprehensive intensification. The use of ADP is the basis for the development and application of complex automation solutions for heating, the aeration and ventilation of buildings, gas and water supplies, the producing and using of secondary energy, and the resolving of ecological processes. An important field of application here is the so-called structural automation with its broad opportunities for making optimum use of territorial resources while possibly improving the working people's working and living conditions.

Of special importance to further improving the efficiency of the social reproduction process through comprehensive intensification over the long haul is the now rapidly evolving formation of complex information and communication systems. Such systems close the time and space gap between information supply and demand; they make it possible for any kind of information to be furnished and used at any time. They permit a rational control over information, enormously increasing with the growing acceleration of the scientific-technical progress, and a decisive intensification of the now still very expensive process of data procurement, processing, and handling. They thereby lead to a more comprehensive and qualitatively improving control over data processes in all sectors of our economy. Directly supplying and processing data by complex information and communication systems becomes more and more a task of fundamental importance for the economic growth of our economy in many fields of the economy, production, and above all of science. Solving that task will in the future become an important prerequisite for controlling the science-R&D-production-sales cycle more effectively and at the rate required by modern productive forces development and the competition with capitalist industrial countries. Partial data systems in specific enterprises and sectors are combined into ever increasing units and tend to embrace all steps, phases, and sectors of social reproduction. Precisely in this field one can see most clearly that the increasing complexity of automation solutions is an essential condition for comprehensively explorable fields of effectiveness.

Third: Another basic trend in the qualitative change of automation is the higher flexibility of automation solutions. That is largely due to the technical-economic status of microelectronic automation techniques, i.e. to the quality of product and process controls, the computer and ADP technique, and the available usable software. Often the importance of higher flexibility is narrowed down and related only to the techniques in small and medium-size production of the metal-processing industry. Such a narrow view of the basic change in automation fails to see the abundant opportunities for opening up the efficiency potential as to the fields of application shown under point 1. The higher flexibility of automation solutions undoubtedly is a general trait of the new quality of automation. Many examples demonstrate that more and more industrial production processes and labor processes in non-producing sectors are being flexibly automated. Only circa one-third of the flexible industrial process robots found in our economy are assigned in the centrally managed sector of our metal-processing industry. Microcomputers for drawing pattern designs and control automated knitting machinery in the textile industry, e.g., are trimming the expenditure of live labor for a pattern design from 1,400 to from 10 to 40 minutes per pattern and permit effective production at a lot size reduction from 20,000 to below 100 pieces.[18]

Creating and efficiently using flexible automation solutions becomes increasingly an economic requirement for the combines and enterprises so they will meet faster and more comprehensively the multiple conditions of scientific-technical progress with respect to product innovation, increasing product variety, and a higher speed in the spread and width of application of the products and of export needs and requirements. Economically using science and technology especially by way of new products which as production instruments also promote new technologies offers a unique opportunity for bringing out new products with less investment of live and embodied labor. Implementing the central guidelines on obtaining an annual average upgrading rate of 30 percent for industrial production and 40 percent for consumer goods production will in the future be dependent on how well we succeeed in making the operational reproduction process more flexible. A flexibly usable automation technique therefore becomes more and more of an essential prerequisite for efficiently resolving the increasingly sharper contradiction between the high dynamics in the product and technology development on the one side and the economic use of long-lasting basic assets, on the other.

Internationally, demonstrating a flexibly organized field of operations for automated techniques counts among the outstanding criteria for the efficiency of automated working tools. While only a few years ago machine tools under CNC control were mainly meant for use in small and medium-series production, now the CNC more and more deeply penetrates the entire machine tool assortment and replace highly productive conventional automation equipment while boosting the performance. Machine tools under CNC control--often exposed as synonymous with the flexible automation of small and medium-series production--also increasingly enter the sectors of large-scale and mass production, where they also make possible a higher flexibility of the working tools, compared to what previously mainly were separate automated single-purpose machines. It is apparent that microelectronic machine and installation controls are penetrating ever more deeply the working tools of all production sectors. The flexibility of automation solutions thus is not the sole preserve of automation for small- and medium-scale production.

The economic effects of high flexibility reveal themselves mainly in connection with the greater complexity of automation. Single flexibly automated means of production do provide partial efficiency advantages but they do in no way place the industrial production process onto a qualitatively new level. To bring the advantages of the flexibly automated working tools to full effect, their development has to be coordinated in all labor processes--in production as well as in the pre- and post-production sectors--and their effect has to be passed on to the production process on the whole.[19] Achieving a high flexibility in the production machinery thus also always calls for complex automated solutions.

On Some Social and Structural Aspects of the New Quality of Automation

The new quality of automation, based on microelectronics, leads to penetrating, revolutionary changes in the material-technical conditions for the existence and development of our society. Of elemental importance, as already pointed out, is that automation can far exceed the limits of its application thus far and thrust into new sectors of social production and labor. On the one hand, comprehensive intensification is thereby placed on a much broader base and, on the other hand, automation exercises a much deeper influence on various sectors of public life closed to it thus far. The rate and breadth of application of automation then determine no longer merely the possible opening up of a broad effective field, they affect also the scope of the involved, and to be controlled, social effects and changes in the social organization of production and labor. The economic, social, and organizational effects are, as shown above, by no means confined to the immediate area of production. Basic changes occur in those sectors which, in contrast to material production, had thus far remained relatively untouched by technical progress and its social and organizational effects. The social changes in the spheres of principally mental work will undoubtedly be no less significant than those in the production processes as such. The gradual surmounting of essential differences between physical and mental work, today and in the future a basic requirement, as it were, for increasing productivity and efficiency, for satisfying social needs in the production and labor process, and for the further unfolding of the socialist way of life, receives its technical-technological basis from the new quality of automation, without which it is impossible.

One of the special factors relative to the social concerns of the working people, their working and living conditions, while also important for intensification, is there the technically and economically necessary production and labor regimen of "around the clock." "High capacity use of machinery and installations in connection with multishift use of them more and more becomes the pivot and fulcrum for economic advances in the field of intensification as such."[20] Along with a steady increase in shiftwork in production itself, the capacity use of modern technology is already increasing today in data processing centers, on computer-aided design, project planning and technological jobs, at the social and health provision facilities in enterprises, in municipal transportation, and at modern research institutions. At the same time, through automation on the basis of microelectronics possibilities are indicated for largely shifting night shifts that go hand and hand with three and multishift operations from man onto technical means, expressed, e.g., in nightshift labor that does not call for much service or in "unmanned" operation.

Precisely during the transitional phase from the "social exception" to the "social norm" automation leads to new and higher labor requirements, conditions, and relations. While it makes possible cutting back in hazardous and heavy physical and monotonous work, it also enriches the substance of labor. Just think of the use of flexible process robots. On the other hand, it makes higher demands on the working people's willingness for training and advanced training, their flexibility and mobility, and a systematic control over manpower changes within and among enterprises and facilities. Enterprise or combine-internal solution variants no longer can deal with this development. Territorial and overall social complex solutions become necessary. Yet this relates not only to matters of infrastructural safeguards, it mainly relates to questions of social and moral recognition.

The economic and social effects of the new quality of automation are determined not solely by the qualitative and quantitative changes in automation technique. Of importance also are pervasive changes in the social organization of production and labor. Because of the high efficiency of automation solutions and their complexity and flexibility, the production cycle must be organized in such a way that novel and marketable products can be produced in small and medium lots and at broad assortments without any loss to efficiency gains, perhaps by reducing the run-through time frames and a working capital tie-up through limited cooperation relations. For that reason, there are then entirely new demands made on the qualitative and quantitative organization of socialization processes. Ancillary industry, for example, must meet higher criteria for flexibly making available, proper as to qualities and schedules, ancillary products suitable for automation. Connected with that, we must further improve the systematic control over a high flexibility of the economic activity of our combines while they continue to become further entwined in our economy.

The ongoing process of an upward qualitative development of the material-technical base of our economy relying on automated machinery, devices, and installations new in quality proceeds not without contradictions. That there is a "broken in" technology technically and organizationally dominating the production which is of course in part an old technology, is inhibiting to some extent.

The experience of recent years shows that, on the one side, there are greater chances than are thus far being used for modernizing through matching microelectronic automation technology and the connecting of conventional techniques with CNC machinery, flexible industrial robots, computer controlled transportation and storage systems, and other things like that. On the other side, one also finds that not the whole available machine and equipment park is suitable for an effective modernization. The modernization of what there is must be considered an extremely important way for reaching the qualitative upward development of our material-technical base with a high economic and social impact, combined with the indispensable part of new equipment allocated through the investments of our economy.

There will however also be differentiations in the whole qualitative transformation process of the material-technical foundations of social progress. Evolving complex-automated production enterprises in the processing sector and more complex information and communication systems is a topical task which, however, also ranges into the far distant future and calls for high scientific, educational and investment appropriations. That enforces a graduated realization while capacities and funds have to be assigned in a concentrated and complex manner. These are no mean efforts our economy has to make to carry on this development.

Characteristic, however, of the future development of comprehensive intensification is that the acceleration of scientific-technical progress in all fields is most essentially based on the use of modern data and automation techniques. Their preferential development, production, and application therefore remains in years to come a fundamental requirement for economic structural development. At the same time, this development in many sectors of production requires profound technological transformations the likes of which one could not even imagine only a few years ago.[21]

For more resolutely implementing automation in the years ahead, there are especially four aspects that seem to be of essential importance:

First, it is important to activate all conceivable efficiency reserves of automation through minimal fund allocations. That makes it necessary to continue in carrying on the so-called partial automation, the use of separate automated machines and devices within the production process as is--on a level, to be sure, that is determined by microelectronics. Along with the new introduction of automated production and working tools, a dominating role continues to attach to the modernization of extant fixed assets even for more complex automated techniques. Important prerequisites for that are a fundamental reorientation of rationalization means construction toward a broad assignment of microelectronic automation techniques while safeguarding the software requirements.

Second, for future conceptualizations for automation solutions, one must start with the aspect of their consistency. Then one will have to bring together at the same time, consistently, on the basis of a technical-technological change fashioned by the accomplishments of the scientific-technical revolution the production sector-related individual solutions on automated production complexes and, ultimately, for fully automated enterprises. This mainly involves implementing economic innovator processes that greatly require the use of modern automation technique, whereby they assentially affect the scope and degree of automated production. They call for a more long-term priority-oriented and concentrated allocation of capacities and funds at a closed and division-of-labor type cooperation in science, research and development, production, and application.

Third, the international developmental tempo in automation demands to come up with the first complex-automated enterprises as pilot projects already in the next few years, mainly in the machine building sector, in order to learn to deal with the many altered conditions like the coping with organizational structures, the linking of transport and storage processes including measuring and testing techniques, involving the pre- and post-production sectors, the development of software, and changes in working and living conditions, while at the same time gathering experiences for producing such technologies.

Fourth, it is important systematically to cope with the already referred to social and organizational concerns and consequences.

These aspects of the continued implementation of automation indicate that the future reproduction processes in the combines and territories, though identical, will and have to proceed unevenly in terms of time and locations. To these diverse conditions the economic cycle of combines as well as the branch and territorial management and planning process have to be adapted.

FOOTNOTES

1. E. Honecker, "Aus dem Bericht des Politbueros an das Zentralkomitee der SED--9. Tagung des Zentralkomitees der SED," Dietz publishing house, Berlin, 1984, p 7.

2. Cf. W. Heinrichs, "Comprehensive Intensification and Reproduction Theory," WIRTSCHAFTSWISSENSCHAFT, No 7, 1984, p 970.

3. Cf. H.-D. Haustein/H. Meier, "Flexible Automation--Key Process in the Revolutionary Change of the Productive Forces in the 1980's and 1990's," WIRTSCHAFTSWISSENSCHAFT, No 5, 1982, pp 669 ff; H.-D. Haustein, "On the Flexible Automation Strategy: The Computer-Based Development and Its Impact on Productivity," Ibid., No 7, 1983. pp 1002 ff; H. Nick/K. Steinitz, "Scientific-Technical Revolution, Microelectronics and the Intensification of the Social Reproduction Process," Ibid., No 11, 1982, pp 1619 ff; F. Pleschak/P. Krejzik, "Automatisierung aus oekonomischer Sicht" [Automation from the Economic Vantage Point], Die Wirtschaft publishing house, Berlin, 1982; R. Winter, "Rationalization of Research Work," EINHEIT, No 6, 1984, p 515; G. Langendorf/H. Nick, "Tendencies of Qualitative Changes in Working Tools," WIRTSCHAFTSWISSENSCHAFT, No 1, 1983, pp 16 ff; W. Huebner/W. Marschall/K. Steinitz, "Microelectronics, the Formation of a New Type of Technology, and Comprehensive Intensification," Ibid., No 7, 1984, pp 943 ff; P. Krejcik/F. Pleschak/F. Wiede, "Experiences and Tasks in Raising the Efficiency of Flexible Automation," Ibid., No 4, 1985, pp 481 ff; I. Fischer/K. Hartmann, "The Economic Strategy of the 10th SED Congress--A Challenge to Technological Progress," Ibid., No 1, 1982, pp 1 ff.

4. K. Marx/F. Engels, "Werke" [Works], Dietz publishing house, Berlin, 1956 ff, Vol 42, p 600.

5. E. Prager/E. Richter, "What Is Software," EINHEIT, No 2, 1985, p 153.

6. W. Gilde, "Robots Made from Standardized Units," EINHEIT, No 9, 1981, p 888. Current implementation problems in complex automation projects also do amount to making available high-grade hardware, yet still much more to that of high-grade software.

7. The term process technique is used here as a term to include all means of labor that directly affect the object of labor (energy, procedural, and processing techniques).

8. W. Jucker, "Microelectronics-- A Technical Challenge of Our Time," SCHWEIZERISCHE TECHNISCHE ZEITSCHRIFT, Zurich, No 2, 1980, pp 59-60.

9. The development of CNC controls (and other product controls) is marked by the use of new components and sets of components (for instance microprocessors and storage units with the highest integration density, special customer circuits, fast diodes, condensers, optoelectronic components, color displays, foil keyboards, higher program languages, BUS systems) and by the trend toward modular compact design. Along with it, the cost/benefit ratio has developed further for the benefit of users.

10. E. Honecker, op. cit., p 36.

11. In contrast to process controls, which are controlling complex technological processes (installations), we mean by product controls product-related controls for, mainly, separate machines and aggregates. The terms machine- and installations-controls are used for it as well.

12. At that, one has to take into account of course the relativity in the search for autonomy as between the physical and mental component of labor, because "even the purest research still is undeniably a physical effort. All human effort is mental and physical at one." (V. I. Lenin: "Werke" Dietz publishing house, Berlin, 1955 ff, Vol 38, p 405).

13. Cf. K. Marx/F. Engels, "Werke" Vol 3, p 26.

14. Cf. K.-O. Mueller, "Complex Program for Developing KDT Initiatives in Implementing Computer-Based Work," MSR, Berlin, No 11, 1984, p 507. Only one-sixth of the (per capita) equipment investments were placed in the non-producing sectors of the GDR compared with industry in 1983.

15. Cf. H. Fritsch/ B. Stiebnitz, "Arbeitsteilung im Kapitalismus und Sozialismus" [Division of Labor in Capitalism and Socialism], VEB Deutscher Verlag der Wissenschaften, Berlin, 1981, pp 150 ff.

16. The number of 700 persons in the average work force per enterprise is far below the average of the sectors energy and fuel industry, metallurgy, chemical industry, electrical engineering/electronics/equipment construction.

17. F. Pleschak/P. Krejcik, op. cit., p 70.

18. Cf. J. Durbrau/W. Netzschwitz, "Mikroelektronik--Wie veraendert sie unser Leben?" [Microelectronics--How Is It Chancing Our Life?] Dietz publishing house, Berlin, 1983, p 91.

19. Cf. F. Pleschak/P. Krejcik, op. cit., p 30.

20. G. Mittag, "Getting Set for the 11th Party Congress Through Highest Achievements," at the SED Central Committee Seminar with the General Directors of the Combines and the Central Committee Party Organizers, 7 March 1985 in Leipzig, Dietz publishing house, Berlin, 1985, pp 49 ff.

21. Cf. K. Hager, "The Unity of Science, Education and Culture," EINHEIT, No 11, 1984, p 981.

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SCIENTIFIC LABOR ORGANIZATION'S ROLE IN COMBINES' PLANNING

East Berlin SOZIALISTISCHE ARBEITSWISSENSCHAFT in German Vol 29 No 6, 1985 pp 416-422

[Article by Dr of Economics Rudolf Hempel, scientific assistant at the Central Research Institute for Labor; State Secretariat for Labor and Wages. Original title: "Direction and Planning of Scientific Labor Organization in the District-Directed Combined Works"]

[Text] Comprehensive use of the Scientific Labor Organization (WAO) within the framework of complex socialist efficiency measures requires that its methodical approach also be ensured in the district-managed combine. Observance of three closely linked tasks is an essential condition.

1. Managerial rule of the WAO, and its complete inclusion in operational planning.
2. Firm inclusion of workers in solving the tasks of WAO.
3. Continuous training and qualification of the necessary cadres in order to create an appropriate qualifications level in the area of WAO.

These factors are of growing importance because of the large number of small and medium-size enterprises, the numerous technologies applied and products manufactured, and the progressive interlocking of combine enterprises within a district-managed combine.

To study the process of WAO inclusion in management and planning of district-managed enterprises and combines, existing experience of centrally managed combines was used and specific solutions were worked out, paying attention to the special circumstances of district-managed industry. In close cooperation with the economic council of the Dresden district, they were successfully implemented in the state-owned Praecitronic combine Dresden, and were recommended to other district-managed combines.

An essential component of managerial activity in the area of WAO is the planning of WAO measures. It proved correct in principle to derive WAO tasks directly from the intensification and efficiency concepts of the combines and enterprises. From these basic documents, development of a WAO concept is recommended for the conceptual plan preparation in every district-managed combine enterprise and every structure-determining combine plant. It is to be part of the plan sector Science and Technology with its "long-term concept of the use and better utilization of society's work potential" (with regard to gaining more manpower and job savings), the plan sector Working and Living Conditions (with regard to improving material working conditions), and to be coordinated with activity plans to increase shift work and reduce job-related difficulties and exposures, and a five-year plan is to be prepared.

A detailed general part of the concept contains aims and study areas of WAO work, distribution of tasks, structural questions and a rough guide to the indices for 5 years in the district-managed combine, as well as a part of essential indices and tasks to be specified annually. Presetting of the following indicators is recommended:

Current Year	Plan Year	
Probable Actual Figures	State Task Setting	Draft Plan

a) Working hours saved through measures of WAO (Th) in total;
of these, saved through the following technological steps
--major production processes
--auxiliary production processes.
b) Number of existing jobs (total of workers and employees);
of these, production personnel, management/administration.
c) Total number of jobs eliminated;
of these, production personnel, management/administration.
d) Total number of jobs changed or redesignated.
e) Total number of personnel gained for new tasks;
of these persons, for
--new tasks in the enterprise and in factories of the combine overall (relative gain)
    for greater utilization of the production funds
    for expansion of rationalization funds and the research and development potential
    for expansion of consumer goods production
--tasks in other enterprises and combines of the region (absolute gain).
f) Jobs where exposures occur (total number).
g) Exposed workers (total number).
h) Workers, at whose place of work exposures with health risks are being reduced (in case of several exposures) or eliminated, respectively (subdivided according to types and amounts of exposures).

These indices must be brought in line with state reporting.
Annual tasks must be planned, taking into consideration the major thrusts of WAO, enforced through individual measures, and categorized in the following manner:

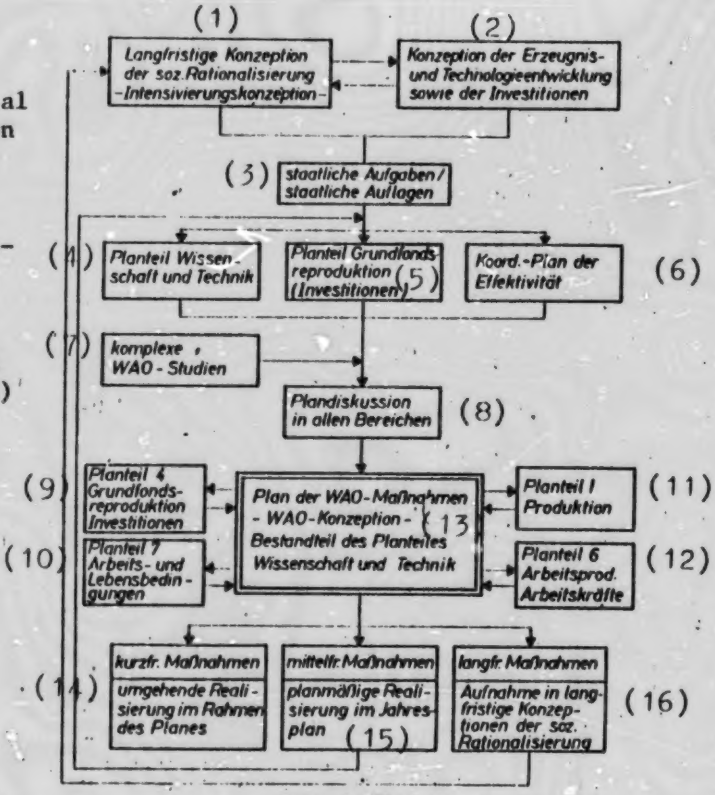
1. Complex WAO measures
2. Introduction of typical WAO solutions
3. Development of manual work processes
4. Improvement of work and production organization
5. Tasks to improve material working conditions, including restructuring of exposed jobs.

Tasks of job classification and the development of new work norms and performance indices should be an integral component of all measures.

Table 1 presents the linkage between planning of WAO measures. This creates the conditions for planning all necessary personnel and material-technical prerequisites for exacting WAO work.

In the complex introduction of WAO it proved useful to establish an efficient WAO structural unit in the main plant of a district-managed combine, which carries out planning, coordination, implementation and the accounting of the WAO tasks of the combine. The following tasks are the focus of this structural unit.

Table 1 Planning of WAO Measures


(1)
Langfristige Konzeption der soz. Rationalisierung -Intensivierungskonzeption-
(2)
Konzeption der Erzeugnis- und Technologieentwicklung sowie der Investitionen
(3)
staatliche Aufgaben/ staatliche Auflagen
(4)
Planteil Wissenschaft und Technik
Planteil Grundfondsreproduktion (Investitionen)
(5)
Koord.-Plan der Effektivität
(6)
(7)
komplexe WAO-Studien
Plandiskussion in allen Bereichen
(8)
(9)
Planteil 4 Grundfondsreproduktion Investitionen
Plan der WAO-Maßnahmen - WAO-Konzeption - Bestandteil des Planteiles Wissenschaft und Technik
(13
Planteil I Produktion
(11)
(10)
Planteil 7 Arbeits- und Lebensbedingungen
Planteil 6 Arbeitsprod. Arbeitskräfte
(12)
kurzfr. Maßnahmen
umgehende Realisierung im Rahmen des Planes
(14)
mittelfr. Maßnahmen
planmäßige Realisierung im Jahresplan
(15)
langfr. Maßnahmen
Aufnahme in langfristige Konzeptionen der soz. Rationalisierung
(16)

Key:

1. Long-term concept of social efficiency-intensification
2. Concept of product and technology development, as well as investments
3. State tasks/state requirements
4. Plan sector: science and technology
5. Plan sector: fixed asset reproduction (investments)
6. Coordination plan of effectiveness
7. Complex WAO studies
8. Plan discussion in all areas
9. Plan sector 4 fixed asset reproduction investments
10. Plan sector 7 working and living conditions
11. Plan sector 1 production
12. Plan sector 6 work productivity manpower
13. Plan of WAO measures - WAO concept - component of plan sector science and technology
14. Short-term Measures: Immediate implementation within framework of plan
15. Medium-term Measures: Implementation under annual plan
16. Long-term Measures: Integration into long-term concept of social efficiency

--Development of WAO concept, and transmittal of preset requirements to the factories of the combines;
--Planning and accounting of the indices and measures vis-a-vis the management authority;
--Guidance for WAO mandataries in the combine enterprises and for WAO specialized cadres in the departments preparing production;
--Carrying out WAO analyses including preparation of data for job organization and classification;
--Planning and coordination of these preparations, and introduction of normatives and indicators on a company and above-company level for work productivity and sector-specific standard values for the labor force;
--Implementing formation of WAO collectives, and giving them guidance and support;
--Organization of an exchange of experience above the company level, and performance comparisons on the best technologies, progressive work methods, forms of wages, and results of work with normatives and indices of work performance;
--Implementation of hygienic work norms, and reduction of influences endangering health and obstructing work;
--Cooperation with institutions above company level (production group, AWZ, institutes of technology).

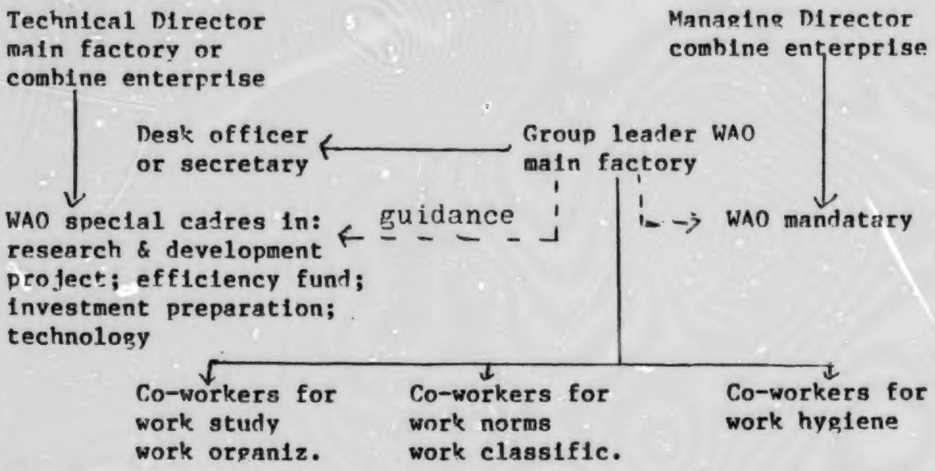
However, implementation of WAO is not solely the job of the WAO structural unit, but requires interdisciplinary cooperation, since every sector has to solve specific tasks.

Since not every plant can have an official chiefly responsible for WAO, due to the size and structure of combine factories of district-managed combines, the use of WAO mandataries has proven useful in assisting plant managers. These colleagues should be politically experienced cadres who command respect and authority and possess high expert knowledge in the area of WAO, classification and normatives; preferably, they should have authorization to measure harmful substances, or be willing to qualify for it, respectively.

The WAO mandataries in the combine enterprises have the following tasks:
--On the basis of the combine's WAO concept, the indices set for the plant must be prepared and are to be proved by accountable measures, in coordination with the plant manager. The measures become part of the plan sector Science and Technology and must be controlled and accounted for.
--They are partners of the plant director for all WAO questions, as well as in the introduction of productive wages in the enterprise.
--They must provide guidance to the leaders of WAO collectives, including suggestions for qualification measures and organizing an exchange of experience.
--Timely and comprehensive inclusion of all workers in planning and implementing WAO measures, in connection with the appropriate state managers.

Furthermore, trained specialized WAO cadres are to be integrated in the production-preparing areas of science and development, technology, project planning and development of efficiency funds, in order to realize the specific tasks of WAO in these areas. (Footnote) (See R. Hempel: Including WAO in efficiency measures of district-managed combines, SOZIALISTISCHE ARBEITSWISSENSCHAFT, 1985, No 5, p 333.) Labor-scientific requirements must be prepared and applied in the new or further development of products, processes, technologies and the shaping of work places and processes, so that they become effective in future work processes. For example, every production preparation should contain work with specific labor-scientific demands and their realization in the course of development. The WAO group leaders of the main plant perform a guidance function in this, just like the WAO mandataries. A proposal for possible integration and subordination of specialized WAO cadres in district-managed combines is shown in Table 2.

Table 2 Structural Integration of WAO Specialized Cadres in a District-Directed Combine (Proposal)


Technical Director
main factory or
combine enterprise
Managing Director
combine enterprise
Desk officer
or secretary
Group leader WAO
main factory
guidance
WAO special cadres in:
research & development
project; efficiency fund;
investment preparation;
technology
WAO mandatary
Co-workers for
work study
work organiz.
Co-workers for
work norms
work classific.
Co-workers for
work hygiene

The forming of WAO collectives proved helpful in all areas in support of the work of these WAO structural organs and in a broad inclusion of workers in the rationalization process. It is important to develop staff management along the lines of the Schwedt experience. To coordinate tasks, we recommend that the combine management or main factory establish a WAO staff.

The WAO staff, consisting of top level managers, the party secretary and the chairman of the plant labor union executive board (BGL), is primarily responsible for developing the basic work directions and goals of complex rationalization in the enterprise. This also includes establishing the main functions of WAO collectives in management areas, and control of fulfillment of these tasks. The specialized directors have the task of pinpointing these proposals with regard to the formulation of tasks for the WAO collectives. In larger enterprises, formation of a WAO panel for the management area is recommended for this work.

The WAO collectives are established in the individual management areas. Through their broad effect, they assist in complex socialist efficiency measures. Depending on the size of the enterprise and its departments, it is possible to form several WAO collectives within one management area. For solving cross-section tasks, formation of interdisciplinary WAO collectives has proven successful. Combine enterprises should proceed along the same lines. Typical WAO tasks for purposeful activities of WAO collectives were described in detail by Feig/Waldenburger. (Footnote) (See R. Feig/ M. Waldenburger: Erfahrungen und Arbeitsweise von WAO-Kollektiven, Schriftenreihe AUS DER PRAXIS - FUER DIE PRAXIS, No 12, ZFA Dresden,1984.)

Due to the staffing in the preparation departments of small and medium size enterprises, work with WAO collectives is imperative for complex socialist efficiency measures. Corresponding to differing conditions, the tasks to be solved by WAO collectives are also different. However, every manager should form a permanent WAO collective in his area of leadership and assign it topical tasks. Experience in centrally directed companies shows that WAO collectives--directly participating in analyses, projects and plans for measures--have contributed considerably to fulfilling operational goals.

Personnel selection should be such that it makes possible, on the one hand, the function of a consultation collective for the state manager in charge, and on the other hand, that of an implementation collective in carrying out WAO tasks. Main functions are participation
--in the planning stage of tasks and goals of socialist efficiency measures (intensification concept, WAO concept, plan sector Science and Technology);
--in preparation, particularly the analysis to uncover reserves and shaping of processes to be made more efficient;
--in implementing efficiency measures and innovative processes with the goal of improving the production flow and lowering stoppage and break-down times, making work easier and safer, eliminating jobs, and perfecting work methods.

WAO collectives should not have more than five to eight members. The specialized manager in charge should also be the manager of the WAO collective and direct it from task setting to implementation. It has proven useful to conclude WAO agreements between WAO collectives and the managing director, whose results must be defended before the management collective.

In addition to utilizing one's own possibilities for increased efficiency, in the case of small and medium size enterprises of district-managed combines it is also recommended that they utilize regional reserves. As the Stassfurt example shows, it is of advantage to these enterprises to receive the support of work groups "WAO--Regional Efficiency"--of the councils of cities, town districts and kreises. The goal setting of these work groups, which consists in assisting the enterprises in greater increases of work productivity and increased production of export and consumer goods, is achieved through an increased degree of mechanization and automation with a simultaneous improvement of work and production organization in major and auxiliary production processes, as well as improvement of working and living conditions of the workers. These work groups are faced with the task of giving support to utilizing primarily one's own efficiency means, but also including the cooperation association and regional interest groups. The work groups consist of experienced WAO cadres and technologists from the enterprises and scientific institutions of the region. Direction of this process by the chairman of the kreis council enables immediate implementation coordination with other work groups of the regional efficiency drive, such as "chief mechanics" and "fixed asset economy", as well as the cooperation association "Efficiency assistance."

A high level of qualification of the cadres in this field is an essential precondition for making WAO workable. Analyses in the enterprises of district-managed combines have shown that, on the one hand, the necessary or already existing WAO structural organs are not sufficiently staffed in qualitative terms and, on the other hand, that the present qualification level of managers, the cadres and experts of technical and economic universities and trade schools as well as all other personnel is inadequate in the field of WAO to solve WAO tasks with high effectiveness. In district-managed combines there are few labor-scientific cadres in the combine management; in the greater number of individual enterprises there are none.

For this reason, labor-scientific qualification and continued training of the cadres in enterprises of district-managed combines must become a permanent part of managerial activity in order to carry out the numerous tasks. This requires that WAO training courses for the qualification of specialists must be held, but also that labor-scientific findings be given to managers and engineering cadres (master craftsmen, technologists, project planners).

For training and continued education, close cooperation with the Chamber of Technology (KDT), technical universities and institutes has proven valuable. Qualification measures must be planned in cooperation between the managing area responsible for WAO and the director of "Cadres and Training." Among other things, there are the following possibilities:
--Qualifying proven skilled workers as labor organizers
--Courses on basic questions of managing and planning WAO work for managing directors and leadership cadres at industrial branch academies and institutes for socialist business management
--Continued education courses by the KDT (for example, WAO in management and administration, work classification, process analysis, work-hygienic complex analysis)
--post graduate studies for university and trade school cadres in the field of work economy and work organization
--Qualification for the procedure "shaping manual work processes."

9917
CSO: 2300/152

ECONOMY

HUNGARY

GREATER EFFORT TO LURE FOREIGN INVESTMENT CAPITAL URGED

Budapest FIGYELO in Hungarian No 3, 16 Jan 86 p 7

[Interview with Bela Csikos-Nagy, academician and Executive President of the Industrial Policy Council [IPT], by Dr Gyorgy Varga: "Foreign Capital Is Much More Selective"]

[Text] The minister of industry created the Industrial Policy Council in 1984. The body is the consultative organ at the ministry's disposal. Academician Bela Csikos-Nagy, the Executive President of the Industrial Policy Council [IPT], was interviewed by Dr Gyorgy Varga about the role of imported foreign operating capital in making Hungarian industry dynamic.

We must give up the illusion that we can approximate the technological level of the leading countries of the world, even in a few areas, by depending exclusively on our own resources. The essence and value of importing operating capital is in the fact that it connects Hungarian technological and economic culture, at the most favorable juncture from the point of view of international competitiveness, with the appropriate foreign patents and manufacturing processes. This way, it is possible to assure that we do not fall too far behind the world vanguard, and in certain areas we might even come close to the leaders.

It is not advantageous to inject foreign capital into the economy of the country only in the form of bank loans. The disadvantage of this is that the lender does not take a risk on the yield of the investments; while it is largely those institutions making the decisions with regard to investments which are not subject to market influences. Anyway, nowadays it is only with the import of operating capital that the country can alleviate its shortage of capital.

[Question] These, however, have other, more profound consequences than taking on the burden of foreign loans.

[Answer] I do not dispute this, and it is necessary to speak about this candidly. First of all, we must admit that we cannot shape our ideas on structural policy in a completely autonomous fashion. But of course we could not do this previously either. The integration of international elements--if you prefer, intervention--would become more open, and we would have to weigh more firmly than we have up to now the comparative advantages and disadvantages of this in our development policy. Therefore, the import of operating capital would also reflect a value judgment of the market, because capital would only flow into those areas and endeavors which were attractive and promising. Foreign capital will be far more selective than we have ever been able to be.

Market Development

[Question] In one of your speeches abroad, you spoke about self-discrimination. What does this mean?

[Answer] Whenever we talk about the fact that the Hungarian export price level is low, many explain this by the differences in commodity structure and by Western discrimination used against us. Thus, no matter how badly we manage our economy, we can always provide an explanation for a decline in our exchange rate by mentioning these two factors. We do not, however, examine to what extent the reason for this is that we do not adjust well enough to the forms or norms of market and international cooperation, which would enable us to approach a higher price level. I called this behavior self-discrimination. The solution: market development. I think that our recognition of this fact is reflected in giving preference to the formation of mixed enterprises and commercial houses. Under the present circumstances, all of this can also contribute to more rapid industrial development as well.

[Question] Do you believe that industry is ready to abandon this pattern of self-discrimination?

[Answer] Look, there is no doubt that a lot of people are still thinking in terms of the 1960s, when the growth rate in industrial production, based on a rather dynamically increasing import of Soviet energy sources and raw materials and with a dynamic increase in CMEA-related export, could easily reach 5-6 percent annually. It is a fact that many managers of our industrial enterprises became used to this simple model for growth in production. However, this model is no longer usable. A new situation has arisen, and we have not yet succeeded in finding a suitable growth course.

[Question] I think that we are talking about a structural problem. . .

[Answer] . . . this is a false concept, i.e. the problem is structural only to the extent that accommodation, while a systemic question, is also a task of regulation and market development. Formulated more precisely: those who regard the competitive capacity of our industry strictly as a structural issue, could have a tendency to do away with those enterprises--or to reduce their production--which, with a more effective business policy, could bring the country profits. Nor should we forget the fact that certain products have cycles of greater and lesser profitability. For this reason effective structure cannot even be evaluated in a static situation. Also for the same reason, I have always had an aversion to the ranking of economic value of products at a selected time and to taking actions based on this type of attempt to change the scope of an industry.

I am convinced that, in addition to modernizing the regulations, the first steps on the road to a solution must be taken in market development. Our backwardness in market development is expressed in the simple fact that "we cannot sell in the West and we cannot buy in the East." Our export policy is still based upon treaties negotiated between the nations of the CMEA.

Hard and Soft Commodities

[Question] You mean that as long as it is possible to live off the CMEA market, our enterprises will not make any real efforts to break into Western markets?

[Answer] Yes, that is in part what I mean. Think about it: if they can live off a poor utilization of their capacities, then what would induce the enterprises to undertake work for the marketplace, which would be more difficult than what they have done up till now?

[Question] What tasks are awaiting solution with regard to market development?

[Answer] I will start with the non-enterprise tasks. Since to this very day the CMEA has not succeeded in joining the world market, Hungary as a country dependent on foreign trade must examine its own potential in this area. From this point of view it is also necessary to centrally stimulate the formation of commercial firms which would undertake hard currency-yielding commodity transactions. This is a more developed and modern enterprise form than that which we adopted in the 1970s, when we accepted Western equipment needed for our investments with the condition that the supplier would buy Hungarian manufactured goods. That, of course, was a disadvantageous business deal, because our foreign partner, regarding the purchase compulsory, calculated it from the start into the investment price. Diversified business firms are institutions of a different kind. They could represent a new type of area for the entry of operating capital. We first conducted discussions concerning this with the Austrians, and we are now ironing out the details of the concept.

[Question] Would the increase of Austrian foreign trade traffic be the main task of commercial firms operating as mixed enterprises?

[Answer] What is new in our thinking is that the goal would not be the growth in bilateral traffic but rather cooperation on so-called third markets, and in reducing actual discriminatory factors. This type of endeavor might improve the world market export price structure and reduce price losses in Hungarian foreign trade, and what is more important, it might also create an acceptable institutional structure for efforts directed at forming joint ventures by West European enterprises which have an interest in CMEA related export. Naturally, the precondition for this is that the treaty structure should not hinder the growth of ruble account export.

[Question] In the global strategy of transnational corporations Hungary plays little or no role as a market for special energy-resources, or as a sales market. The Hungarian market can become attractive to foreign capital primarily by performing the role of a springboard toward the rest of the CMEA market. In other words, for the transnational corporations the export of operating capital is primarily a question of business policy.

[Answer] I agree with you on this; this is why we should work very hard at bridging the gap between soft and hard commodities and convertible and non-convertible currencies. As far as the CMEA is concerned, foreign capital is self-evidently interested. In my opinion, Hungary should also be interested in offering products for the CMEA market that are more modern. If we fail to do this, our opportunities in this area will also deteriorate. If we could approach the level of more developed countries in the machine and chemical industries, or in certain segments of theirs, we could reduce the less advantageous share of foodstuff and light industrial commodities in our CMEA exports, to the point that this would not hinder the dynamic development of Hungary's industries. However, we still cannot sidestep the challenge of having to maintain a balance in ruble and dollar alike. Thus, we must find a comprehensive solution, one that takes care of the relationship between the dollar and ruble exchange rates. I am convinced that commercial firms which perform currency converting operations would be suitable for this task...

[Question] ...provided that they recommend the purchase of such a machine or equipment, or a product of such quality, for which the CMEA countries presently pay with convertible currency or with commodities of equal value. In fact, this is the substance of the solution found by the Finns and the Austrians for their foreign trade policies. Beginning with January, the regulations controlling the influx of foreign operating capital will be made more advantageous. Opinions on this issue appear to be uniform. Do you agree?

Debaters Who Agree

[Answer] Yes, and no. Experts have already reached an agreement concerning the basic question. On the other hand, there are a considerable number of people who disagree on the feasible size of foreign capital investment. My view on this is that anyone who does not consider the capital hitherto imported as insignificant in volume, in fact interprets the basic concept incorrectly. After all, just think about it: As early as 1973, the government gave the green light for foreign capital investment. And the result? As of now, we have invested a ridiculously low amount--perhaps not even 10 million dollars--in our industries. If there has not been a significant amount of foreign capital streaming into the country, this is primarily attributable to certain responsible individuals who have not done enough to encourage the process. On the other hand, the positive example of some of our enterprises demonstrates the effect of operating capital on such factors as technology, production discipline, organization practices and marketing.

[Question] What proof do you have to support this charge?

[Answer] There are a great number of industrial enterprises which during the past 10-15 years repeatedly turned to the responsible organs with proposals for the founding of multinational enterprises, and one after the other they were talked out of this. Instead of injecting foreign operating capital, the securing of bank loans was recommended. Of course, if an enterprise is repeatedly discouraged, it will discontinue experimenting; as a result, it can even be used as an argument that Hungarian enterprises are not predisposed toward becoming partners of foreign firms.

It is also part of the problem that none of our institutions is prepared for the import of foreign operating capital, and thus no one is able to promote the process with the appropriate authority.

[Question] You mentioned that there are indications that Austrian businessmen may be interested in joining Hungarians in forming multinational firms. Could you tell us more about this?

[Answer] Around the end of last year, the Austrian Zentralsparkasse initiated and conducted discussions on this issue. In the course of these talks, the idea surfaced that not only Austrian money should become partners in Hungarian commercial firms, but Hungarian operating capital should also be exported--possibly to Burgenland. After all, in that region it is possible to establish multinational firms very quickly, numerous administrative problems can be solved much more easily than in this country, and it is easier to connect foreign capital into industrial activities than in Hungary. Such initiative could be good practical training for us, while we create the conditions for the reception of foreign capital in our country.

In the interest of progress, however, we should avoid repeating the course covered since 1972, during which we either emphasized what cannot be accomplished, or tinkered with the regulations controlling the establishment of multinational enterprises.

A Threat of Failure?

[Question] As you pointed this out, the majority of our enterprises--with the exception of a few foreign trade firms--have no experience with the activities of commercial houses. Since the state promotes such enterprises, there will probably be an increased interest in creating firms of this type. Are not you worried about failures?

[Answer] This is a similar problem encountered in the course of creating a new type of banking system. In that case, too, we need new types of bank employees, one might say: bankers. But this should not prevent us from taking the necessary steps in banking; just as the threat of failures should not compel us to delay the establishment of commercial houses and the creation of conditions for the reception of foreign operating capital.

A similar debate took place in 1967: at that time the question was, is it possible to work without plan instructions, in view of the fact that plant managers were used to having their tasks annually prescribed to them in detail in the form of broken-down plans. I agree with you that certain types of people could reproduce certain mechanisms; however, in the final analysis people are formed by their environment.

[Question] All over the world, the import of operating capital is accompanied by management know-how, as well as technological know-how. We are in a similarly disadvantageous position when it comes to either of the above. Is it conceivable on a broader scale that foreign experts would participate in the management of our firms?

[Answer] Foreign management is already present in our presently existing multinational enterprises: In the persons of managers who may be foreigners or Hungarians employed by foreigners, as well as in the form of technological or organizational practices which are prescribed by the foreign investor-partner. One reason the foreign investor insists on retaining a majority of shares is the desire to guarantee a say-so in management practices. Certainly, foreign partners would not tolerate the kind of cost-profit ratio generally prevailing in Hungarian enterprises.

[Question] This, of course, implies that the issues of arbitrating the various interests and regulating wages would have to be re-considered soon.

[Answer] My opinion is that we will have to deal with these problems even independently of foreign capital, if we wish to start making progress.

[Question] In the recent past, English and Japanese businessmen stated that they envisioned two immediate pre-conditions for investing their capital in Hungary: Hungarian enterprises should come up with their own ideas and proposals; and profits on the amounts invested should be competitive with profits achievable elsewhere. Looking at it from this point of view, how do you evaluate the chances of foreign capital investment?

[Answer] I do not see any problem with either of these conditions. To start with the second one: Enterprises abroad usually figure on a 20 percent profit rate, but I must point out here that according to their accounting system profits include depreciation, and in this manner there is no appreciable difference between our profit-rate and the one prevailing abroad.

As for the first part of your question, I do not agree that it should always be the Hungarian firms that take the initiative. After all, capital can stream into areas where Hungarian enterprises do not even exist. I do not even believe that a large transnational enterprise would decide to invest in Hungary primarily because one of our (relatively small) firms suggested this. Just think back to the offers made by Japanese auto firms for the creation of assembly plants in Hungary.

As for the Hungarian enterprises, their readiness to initiate action in this sphere will increase by leaps and bounds, once they find out that they do not have to fight against overwhelming odds for the realization of their proposals.

For the first time in our history, the recently ratified Seventh Five-Year Plan mentions the investment of foreign capital, referring to it not as a measure designed to support and finance the fulfillment of the plan, but as an auxiliary resource, over and above the investments incorporated in the plan. This demonstrates that the government is ready to receive foreign operating capital. However, we still must learn how to manage this extraordinarily complex issue.

12588
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PROBLEM OF NEGATIVE INTEREST RATES DISCUSSED

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 23 Dec 85 pp 19-21

[Article by Tomislav Dumezic: "Debts Without Debtors"]

[Text] Almost all of the "structures" that have influence upon decision-making have joined in the offensive against the attempts made thus far to enthrone the policy of positive interest rates (otherwise, the interest on all credits together today covers about 50 percent of the rate of inflation) and the policy of the so-called real exchange rate for the dinar. The initial step was taken by the Federal Executive Council in its Draft Resolution for 1986, which, in addition to planning a 30 percent annual rate of inflation, also cites the need for a reexamination of the present interest policy (the period: the first quarter, perhaps in order to apply this new policy after the expiration of the present arrangement with the IMF on 15 May). This determination does not conflict with the attitudes expressed in the SFRY Assembly, the SFRY Presidency, and the Economic Chamber of Yugoslavia.

The latest concrete plan for bringing the rate of inflation down to 30 percent, which would be implemented next year with abundant support from the new interest rate policy, was drafted by the National Bank of Yugoslavia. This plan, as it appears from the published reports, is essentially identical to the already cited determination contained in the Draft Resolution: it is more radical with respect to the period, since as early as 1 January 1986 the general discount rate and the interest rate on deposits and credits would be adjusted to the "agreed-upon" rate of inflation. In doing so, there would be no change in the present determination that interest rates on term deposits would be positive (above 30 percent).

Why such a heavy blow against the policy of positive interest rates and the policy of a "real exchange rate" for the dinar? Especially since neither is even close to having been achieved, since the average interest rate on all credits covers perhaps somewhat more than 50 percent of the rate of inflation, while the exchange rate for the dinar is such that it ensures current liquidity and a balanced balance of payments, but due almost exclusively to restrictions on imports, which have made the Yugoslav economy a completely closed one, naturally with long-term negative consequences.

Is this an attack on the so-called real economic categories, or rather, on the introduction of economic criteria in business activity, which would also mean a fundamental revision of the already rather dogmatized Long-Term Economic Stabilization Program? Perhaps both, but nevertheless one reservation is also necessary -- economic categories cannot be introduced in business activities through regulations, nor can economic criteria be forced upon enterprises as obligatory ones. There has not even been a capital market, nor will there be one as long as capital is socialized (in the sense in which this concept is understood today), and as long as the economic organizations are state ones, and when there is no money market, there are no measures regulating it. There is not even a foreign exchange market (and there will never be one), and so any story about a policy of a real exchange rate for the dinar is an illusion.

The demands for a change in the present policy on interest rates and the dinar exchange rate are primarily motivated by practical considerations. With the increase in inflation and the decline in the value of one's own funds, the interest burden is becoming increasingly greater for the economy of each sociopolitical community, and exchange rate differences for foreign credits and citizens' foreign exchange savings are accumulating, all of which -- in a system with a state-monopolistic closed economy, in which enterprises operate without risk, and are interested (to some extent) only in the situation on paper, as depicted in the balance of successes -- is reflected in the price of products and services. Furthermore, money is constantly being taken away from economic organizations (with their own money, they cannot even cover 20 percent of the so-called durable working capital), and thus the amount of credits is growing at a dizzying rate -- on 30 September 1985 the economy used over 7,000 billion dinars of credit, of which 4,000 billion dinars of credit was for working capital, in practice for financing the enormously large stocks, the bookkeeping value of which exceeded the social product achieved during the first 9 months of this year.

Transfer Based on Credits

Interest is growing at a dizzying rate. Last year it amounted to 819 billion dinars. During the first 9 months of this year, it reached the amount of 1,355 billion dinars. The economy's earnings from interest are also growing. During the period from January to September 1985 they amounted to 520 billion dinars in the economy, so that the net outflow from the economy as a result of interest was 815 billion dinars.

In addition to the fact that interest expenses constitute a considerable item in calculation of the cost prices of products and services, there is also a transfer between branches. For the organizations in industry, mining, agriculture, and fishing alone, there was a 690 billion dinar net outflow as a result of interest, which constitutes approximately 85 percent of the total burden on the Yugoslav economy. In contrast to the organizations of industry and agriculture, which cover only 28 percent of the interest expenses with interest earnings, the organizations in some other fields achieve considerably more favorable results. This applies to the organizations in construction, general trade, and especially foreign trade.

In addition to the redistribution of income among branches, there is also a territorial aspect. As a rule, the economy in the developed republics and provinces is less burdened with net interest expenses, while the underdeveloped republics and Kosovo are in a considerably more difficult financial situation.

The ratio between interest earned and paid is most unfavorable in the economy of Montenegro, where the interest earnings cover only a little more than 1/5 of the interest paid. The economies of Macedonia and Kosovo cover 1/4 of the interest with interest earnings; the economy of Vojvodina is in a more unfavorable situation than the average for the country, primarily because of larger credits to cover stocks of agricultural products. In the Croatian economy, because of a forced excessive pooling of funds in so-called long-term investments, the situation is also more unfavorable than the average for the country. The rest of the republics are approximately at the average level; the only exception is Slovenia, whose organizations cover exactly 50 percent of the interest expenses with earned interest.

Differences Between the FEC and the NBY

Judging by the draft resolution for 1986, the Federal Executive Council [FEC] would not make any fundamental changes in the present interest policy and the policy on the exchange rate for the dinar. It is, however, planning for inflation in the range of 30 percent, and is subordinating current economic policy measures to the achievement of this goal. The Resolution says that if the economic policy measures adopted do not yield results in the sector of the market and prices, as planned, direct social price controls will be imposed. The President of the FEC does not support social price controls. She thinks (as past practice has proven, after all) that price controls lead to an increase in losses in economic organizations, less of a selection of products, a decline in the quality of products and services, and to shortages even prior to distribution. Does this mean that the Draft Resolution was nevertheless not sufficiently coordinated even within the FEC, which drafted it?

With respect to the concrete interest policy for next year, the FEC has committed itself to a policy of positive interest on term deposits, which would be established, after the expiration of the agreement with the IMF, on the basis of the planned inflation, with the provision that after the expiration of a certain period there would be an adjustment of interest rates in accordance with the actual changes in the prices of industrial products.

As we have learned, the NBY feels (and it is not alone) that today the main sources of inflation are the nominally high interest rates on credits that accompany the rate of inflation, and the exchange rate for the dinar, which is continually adjusted to the difference between the domestic rate of inflation and inflation in the countries of the "basket of currencies." According to the reports that have reached the public, the entire concept of the NBY should be reduced to several measures. First, the rate of inflation of 2 percent monthly, or 30 percent annually, should be protected by all possible measures, including direct social price controls. Second, some of the credits from the primary issue (about 50 percent) should be transformed into long-term credits with a favorable interest rate (for example, 8 percent), but this was also contained in the previous FEC proposals. It is also proposed that credits covered by the business banks be rescheduled. Third, the general discount rate of the NBY, as well as the interest rates for term deposits and for credits, should be coordinated with the planned rate of inflation, which means that they would be a little above 30 percent, so that the interest would be positive. Fourth, a reduction in the (illegal) earnings of the NBY and the national banks of the republics and provinces based on primary issue credits would make it more difficult to manipulate the so-called coverage of the negative exchange rate differences at the NBY (for NBY credits and foreign exchange savings), so that probably part of these exchange rate differences would have to be written off, which naturally will not reduce Yugoslav foreign debts by even a thousandth. Fifth, there is no reason why the NBY, like the FEC, after all, should not accept the slogan about relieving the economy of the burden of contributions for general and joint expenditure.

There will be only two results from all these measures: the transfer of credits from the primary issue, and direct social price controls. When the transfer of part of the credits from the primary issue is proposed, one cannot avoid the following question -- why is the illegal state capital, which is formed on paper through the expropriation of the economy and the population, retrained, while it brings real earnings to the state and real expenses to the economy? A measure has thus been proposed that will temporarily reduce the expenses of the users of these credits, but there will be no substantive changes, since the owners of the money will remain the same and since the reduced earnings of the NBY will be replaced by other issue and inflationary earnings (also on paper).

Social price controls may temporarily curb the rate of inflation, but their consequences will be precisely the ones that were indicated by the FEC president. In the long run, they will be even worse, since the fictitious elements in the balances will be increased, the social criteria in distribution will be expanded even more, and the low productivity and the poor quality of products and services will close the Yugoslav economy to foreign countries for a long time.

Real Problems

A higher interest rate cannot be a source of inflation in a market economy. On the contrary, it stimulates savings and contributes to a more rigorous selection of investments on the basis of profitability. There is no market economy in Yugoslavia, and thus the nominally high interest rate, although it is lower than the rate of inflation, is nevertheless a generator of inflation. Why?

If one excludes the systemic reasons that result in our economic organizations not being commodity producers, two main reasons remain: first, the more unacceptable structure of the sources of working capital, in which the funds owned by economic entities are marginal in covering current reproduction expenses, and second, enormously large stocks of materials, unfinished production, finished products, and goods that at the end of September exceeded the value of the social product for the first 9 months.

On 30 September 1985, the total credits used by the economy amounted to 7,017 billion dinars, which is 75 percent more than two years ago. During the same time, the durable sources of business resources, in which the business fund is dominant, were increased by 59 percent. Of the total credits, 2,949 billion dinars were for credits for fixed capital (from domestic and foreign sources), while the remainder, about 4,000 billion dinars, were for credits for working capital. On 30 September, the total stocks amounted to 5,267 billion dinars, and had increased by 87 percent compared to the situation two years earlier. The largest increase was in the stocks of finished products (held by producers), by 112 percent, while the lowest was in stocks of goods (in trade), by 63 percent. The economy is covering about 20 percent of the total stocks with its own funds (part of the free funds of the business funds for covering working capital), and it is covering the remainder by credits and loans between enterprises.

Seven or eight years ago, the economy covered about 50 percent of the stocks, i.e. the so-called durable working capital, with its own funds. Today this percentage has been reduced to less than 20 percent. Why? It is not primarily a case of financing investments out of working capital. There are other problems involved. First, economic organizations have been forced to invest necessary monetary resources in so-called long-term investments, which induces them to seek new credits. Second, the accounting system is such that it leads to the expropriation of the economy. Because of the high inflation, monetary funds are being reduced in real terms, and so the difference (lost property value) is transferred to consumption -- personal, general, and joint. Otherwise, the effect of inflation can be eliminated by revaluation of the value of the property. The property of the enterprises is contained in the business fund. Part of this property (the fixed assets) is partially revalued, while the part that is in monetary form virtually melts away. Does this have to do with ignorance, or with an intention of leaving the enterprises without money of their own, so that individual representatives of sociopolitical structures would have complete power over economic organizations, and so that the state, on the basis of nonexistent capital, would create earnings (taking income away from the economy and the population) to cover its own financial mistakes?

Incorrect Accounting System

Even with the existing administrative state-property system, improvements are possible that would help it to function better. One of the areas in which these improvements are inevitable is the accounting system. Since 1 January of this year, a mandatory revaluation has been imposed for working capital in the form of things (raw and other materials, minor inventory, unfinished production, finished products, and goods). Since many people have proved that such a revaluation is a source of inflation, since the stocks are primarily covered by credits for which interest is paid that approximately corresponds to the rate of inflation, a change in this regulation has been proposed -- the amount of the revaluation can be reduced by the difference between the interest paid for credits for working capital, and the calculated negative exchange rate differences and the earnings received from interest and the calculated positive exchange rate differences. Both methods of accounting are wrong. Instead of a revaluation of things, it is necessary to revalue property in the form of money that serves to finance current reproduction.

Some economists think that the mistake in the accounting system is that economic organizations cover interest on credits up to the rate of inflation under operating costs. Instead of this, they propose a revaluation of the principal commensurate with the rate of inflation. Such gymnastics mean nothing in reality. We can agree that interest below the rate of inflation is not interest in the classical meaning of this concept. It is an expense, however. If the credit is for fixed assets, this cost is transferred to the cost price of the product through amortization, which is calculated at the value of the fixed assets, which is the same in real terms although nominally larger. If the credits are for working capital, they must also be repaid in what is really the same amount, although nominally larger. Where does the payment for the difference between the present and original nominal value come from? From profits? Certainly not, since this is a question of the same real value that the economic entity had to maintain in current business operations, which means that this difference must be a burden on the operating expenses of OURs [organizations of associated labor].

It is not necessary to prove to anyone that the stocks are enormously large. Why? Because the economic organizations are not interested in the efficient utilization of property, in efficient business operation and earnings. They are interested in showing a positive balance, in bookkeeping terms, for the successes of current business operations, so that they will not have any problems in paying personal incomes. Isn't it possible to change this relationship by changing the accounting system? For example, if it were the rule that at the end of the accounting period the organizations were responsible for covering stocks that had increased, compared to their original status, at the expense of current business results, the growth of the stocks would be stopped. The question is only whether this would contribute to adjusting production to the possibilities for sales, or whether it would lead to a reduction in production.

The interest rate and adjustment of the exchange rate for the dinar (maintenance of the already established parity) are not causes of inflation, but under our conditions they nevertheless stimulate it. It turns out from this that it is necessary to change the conditions, or to cure the main causes of such illogical behavior by our economic entities. First, we should abandon the present method of financing the budget of the sociopolitical communities. Instead of the present method, which is economically easiest but economically and socially the worst, we should introduce a system of progressive taxation of the incomes of households, including a considerably greater taxation of the property of citizens. Second, it is necessary to eliminate fictitious state capital by returning the entire primary issue to economic organizations, as long as the formation of new fictitious capital is prevented. Third, the losses of economic organizations must be covered from real sources, or their continued operation must be stopped. And, fourth, the greatest material problem is foreign debts. This is not a question of credits for equipment, which are used by most of the economic organizations, and which can be repaid. This has to do with the financial credits of the National Bank of Yugoslavia, financial credits converted into dinars, part of the credits for fixed assets which are invested in organizations that will never be able to repay them. Most of all, this has to do with debts that are not backed by real debtors. They must be found, which means that it is necessary to divide them among specific sociopolitical communities, which would be responsible for finding a way to create real earnings, from which they would be able to repay these debts.

1) **Rashodi i prihodi od kamata (I-IX 85)**

13) (u milijardama din.)

Republike	2) Plaćene kamate 7) Na kredite za obrtna sredstva	8) Na kredite za osnovna sredstva	3) Ukupno	4) Prihodi od kamata	5) Neto plaćene kamate	6) Učešće naplać. u plać. kamatama (u %)
Jugoslavija	1.152	204	1.356	520	836	38.3
9) BiH	130	31	161	64	97	39.8
10) Crna Gora	24	14	38	8	30	21.1
11) Hrvatska	287	43	330	125	205	37.9
Makedonija	74	18	92	23	69	25.0
Slovenija	205	31	236	118	118	50.0
Srbija	431	66	497	182	315	36.6
12) uže područje	262	43	305	117	188	38.4
– Kosovo	19	5	24	6	18	25.0
– Vojvodina	151	18	169	59	110	34.9

1. Expenditures and income from interest (Jan-Sep 85)
2. Interest paid
3. Total
4. Income from interest
5. Net interest paid
6. Interest earned as percentage of interest paid (in %)
7. for credits for working capital
8. for credits for fixed capital
9. Bosnia-Hercegovina
10. Montenegro
11. Croatia
12. --Serbia proper
13. (billions of dinars)

9909
CSO: 2800/138

ECONOMY YUGOSLAVIA

WESTERN COMMENT ON ECONOMIC CRISIS, NONFUNCTIONING OF SYSTEM

Hamburg DIE ZEIT in German 17, 24 Jan, 7 Feb 86

[Article by Andreas Kohlschuetter: "Tito's Heirs Are Bankrupt--Only an Attitude of Resignation Prevents the Outbreak of Workers' Unrest"; first paragraph is DIE ZEIT introduction]

[17 Jan 86 p 5]

[Text] Belgrade, Jan 86--The Yugoslav multinational state, at one time desirous of building a model countering Soviet communism, is slipping more and more deeply into a crisis. Millions of people live below the poverty limit. Foreign indebtedness amounts to 20 billion dollars. There are no reforms in sight. Future Premier Branko Mikulic has the reputation of a hard-line dogmatist.

Svetislav Durdevic, a junior worker at the Zmaj tractor plant near Belgrade, which recently experienced a 2-day strike, gives vent to his feelings: "It is true that financial demands are behind most strikes, but that is only a pretense. The real reason is human dignity, which in a country supposedly ruled by the working class must fight for survival. We make a minimum living, or even less. We work for wages which will pay for the rent, milk, and perhaps just barely for cigarettes. A twin-class society of the superrich and superpoor has come into being." His conclusion: "I find it incomprehensible that the workers have not yet taken to the street instead of just stopping their machines."

Milos Stanisic, a senior worker at the same tractor plant and at the same time a member of the Belgrade Municipal Committee of the League of Communists, is irate: "We workers are in a desperate situation. Constant price increases, decreases in living standards, and the fact that wages lag behind inflation have brought us to the fringe of existence. We no longer can feed our families. We have lost all interest in working. Thus the workers strike simply because they cannot stand it any longer. We are sick and tired of it."

Zoran Prijobic, a striking metalworker at the "21 May" plant at Radovica, states: "Difficulties are piling up everywhere; nothing is what it should be. One spark is enough to ignite the fire of strike; that is how tense the situation is. I can only smile at all those theories about sudden strike actions triggered by moods of the moment, or claims that laggards and people going it alone are behind the work stoppages." He says: "Spontaneous strikes are out of the question when dissatisfaction is so widespread. We have reached the end of our patience. The working class has nothing to lose and nothing to fear any more."

Deep clouds of crisis are glowering over cold, wintry Yugoslavia. The entire country is covered by a frosty layer of bitterness and resignation. The lack of a political way out has a stifling effect, the economic misery an oppressive one. Even in the Belgrade Central Committee this atmosphere is addressed openly. "We are talking about the shaken confidence of the workers," said a Serbian representative at one of the latest plenary sessions; "no, comrades, the confidence of the workers has not been shaken, it has been utterly destroyed."

The economic indicators of the crisis are indeed depressing:

--Foreign indebtedness amounts to 20 billion dollars. Servicing the debt eats up 40 percent of foreign-currency income. Exports to hard-currency countries are not growing sufficiently. Trade deficits and payment deficits are increasing. International solvency can be insured only through constant debt-restructuring maneuvers.

--Instead of an expected real growth of 3 percent, probably only a meager 1.2 percent was attained in 1985. Productivity is decreasing. Likewise investments, and thus also capacities for industrial modernization and procurement of jobs, have been decreasing--for the past 6 years.

--The number of unemployed has gone over the million mark, now amounting to 17 to 20 percent. In the underdeveloped Province of Kosovo it is as high as 30 percent, and among the young it amounts to more than 70 percent.

--The rate of inflation is about 80 percent, with the government office for statistics pegging price increases "of products most needed by the population" last year at 104.4 percent.

--Real income has dropped more than 40 percent in the past 5 years--"to the level of 1967-1970," according to Ante Gavranovic, chief editor of the economic journal PRIVREDNI VJESNIK.

These key economic data reflect increasingly precarious economic straits of broad strata of the population. According to a statement by a Central Committee member, only 5 percent of Yugoslav households can make do with their regular income. As the government admitted at the end of the year, 69.5 percent of those employed, or a total of 4.5 million workers, earn less than a minimum living, pegged very low as it is (not including medicine and cigarettes). Including members of families, 8 or 9 million Yugoslav (of a total of 22 million) are below the poverty limit.

In Macedonia, for instance, an average monthly income of 29,500 dinars ($98)--not attained, in fact, by 70 percent of the working people--in a family of four contrasts with a need for foodstuffs amounting to 38,000 dinars ($126). In ore mines, miners even work for only a miserable 13,000 dinars ($43) a month. Pensioners have to make do with 10,000 dinars. "Thousands of families in the center of Belgrade" had their electricity and power for heating turned off, according to Member of Parliament Zarija Martinovic, because they could not pay their bills any longer. The workers of the Sloboda plant in Cacak, Serbia, the newspaper INTERVJU reported recently, were "seen crying when they received their monthly wages."

Zagreb sociologist Josip Zupanov says it is a "Yugoslav miracle" that there have not been any mass demonstrations, workers' revolts, and open outbreaks of popular indignation against the regime. He refines this statement immediately, though, by stating that it is a "negative miracle at the expense of industrial efficiency which is pushing us deeper and deeper into the crisis." What is clear, however, is that the pressure from below is not yet so strong, and the economic impoverishment as yet not so direct and pervasive, as to compel the communist power apparatus to make major changes and institute a true reform of the system. "The moment of truth has not yet arrived," comments a U.S. diplomat; "as yet, things can go on like this, despite the fact that the water already reaches up to people's necks in Yugoslavia."

For one thing, strikes--neither permitted nor prohibited but tolerated--which doubled in 1985 compared with the year before, reaching a record number of over 700, have the effect of lightning rods in relieving social tensions, the more so because in the completely atomized economic structure no kind of fronts of solidarity are emerging which might reach beyond the narrow limits of individual enterprises or even the individual republics. One would not dream of an all-Yugoslav solidarnosc movement on Polish lines. The strike fronts, built around wage demands in 90 percent of the cases, generally can be solved quickly and smoothly by financial concessions. This occurs at the expense of a longer term economic reform, however, without regard for production criteria or the urgently required differentiation of wages between profitable and unprofitable enterprises.

Another variant of the workers' protest generally tolerated by the regime is slovenliness and idleness on the job. It is passive resistance under the uppity slogan "You just cannot pay me as little as I work." It included a whole repertory of possible behavior enumerated in the weekly NIN: "Arriving late for work, feigning illness, unauthorized absence, loafing on the job, negligent maintenance of the machinery inventory, and damaging of products and machines."

The arising economic losses are horrendous. In the opinion of a Slovene economist, of 7 work hours a day, there are "only 2 or 3 hours in which any real work is done." No wonder it takes three to five times as long in Yugoslavia as in the FRG to make radios, vacuum cleaners, washing machines, and television sets. Professor Zupanov comments: "Our working class is patient, but it presents its bill to society in the form of low productivity, which is one of the sources of our economic and social crisis."

Of quite crucial importance for insuring one's existence in Yugoslavia and earning one's daily bread is the flourishing "gray" economy. It offers a chance to mitigate the "socialism of pauperization" of the Tito state. Painters, plumbers, masons, and electricians engage in illicit work after hours and on weekends. "Part-time farmers" take it easy during work in the plant in order to be able to devote their unspent energy to farming afterward. Many Yugoslavs rent out their rooms to tourists with foreign currency, with about half of last year's income from tourism, which amounted to more than 2 billion dollars, flowing into private pockets. Owners of hard-currency accounts fed with income from work in the West finance the feverish construction activity which can be observed in all villages.

Yields from the "gray economy" in the case of many Yugoslavs cause wages to become side earnings. These yields amount to an estimated 40 percent of the GNP. And only this explains why despite a 40-percent drop in real wages since 1980 consumers' expenditures have decreased only about 5 percent.

It also explains why many Yugoslavs continue to be able to go to the Adriatic coast for their vacations and why quite a few Slovenes continue to go shopping in the Austrian town of Klagenfurt. Illicit work creates reserves which, though unable to stop the growing pauperization, can prevent mass starvation and make the economic situation more tolerable than it is portrayed by the statistics. The army of millions of underpaid, unemployed, and pensioners who are not supported by an extended family and have no rural roots are left out in the cold, however.

Finally, safety valves against social unrest are also provided by the freedom to take trips, the possibility of seeking work in the West, and the mercilessly open crisis debate in the media. A young Belgrade taxi driver out of work as a business employee curses the whole "communism-Titoism," but his ire is limited by the prospect of a job at a pizzeria in Stockholm, which he hopes will pay for "a new radio taxi and perhaps a New Year's Day celebration in Vienna."

The whole Yugoslav misery is spread out in the press with unsparing detailed criticism of state and party. The radio spreads such biting comments as the following: "Why is milk getting more and more scarce and expensive? Because there are more and more oxen in this country." Television shows the inhabitants of a village armed with axes and shovels defending themselves successfully against police in the disappropriation of land for building a factory. There was a broadcast of a remark by a worker that it would make no sense to demand the overthrow of the workers government considering that the workers were already in an extremely poor position. "We cannot change anything but can say almost anything," says PEN club writer Predrag Matvejevic; "there is hardly any democracy in this country, but there is an enormous amount of freedom."

An expert who has observed Yugoslavia for many years sums up the crisis situation in the multinational Balkan country saying: "Tito is gone, the money is gone, the elan is gone." This is exactly the impression one gains everywhere--in Ljubljana, Zagreb, Sarajevo, and Belgrade. The inspiring

"Yugoslav model," the hopeful "third way" between East and West, which at one time triggered so much intellectual elan and worldwide enthusiasm, is passe. Yugoslavia's clocks do not show a different time any more; they simply have stopped.

[24 Jan 86 p 7]

[This instalment is headed "The Way to Standstill--Disgruntlement With the State and Resignation Have Assumed Threatening Proportions--Tito Wanted to Avoid Fights for Succession and Between Nationalities, but His Heritage Is Proving a Shackle for Yugoslavia"]

[Text] Belgrade, Jan 86--Asked about what kind of mood he is in, the Zagreb sociologist responds: Emptiness, boredom, resignation." His students, he describes as "disinterested, uncommitted, disinclined toward any debate, and full of anxiety about the future and pessimism." The critical sociologist Ljubomir Tadic in Belgrade describes the Yuguslav crisis as "incurable total paralyzation." And the philosopher and reform Marxist Gajo Petrovic speaks of a "horrible lack of perspective in theory and practice," of an "incredible inability of the system to change."

The three scholars all point to the "political roots" of the problems in Yugoslavia--the lack of a market economy and democracy. They deplore the competing power and economic interests of the individual republics and nationalities (Slovenia, Croatia, Bosnia, Serbia, Montenegro, Macedonia) and the "atomization" into "hegemonic communist natiocracies which prevent any kind of all-Yugoslav drafting, decisionmaking, or action" (Tadic).

"Yugoslavia is dead, not as a state but as an idea," says the prominent critic of the regime Milvan Djilas. The dismemberment protects the regime because no cohesive blocs of opposition can emerge and--in contrast with Poland--the resisting workers, the churches, and the intellectual intelligensia are affected by the nationalist fission fungus. At the same time, however, the fragmentation weakens the regime because it makes it inefficient and thus discredits it. One journalist complains: "Since 1980 and since Tito's death, the Central Committee has convened more than 30 times to deal with serious problems in politics and industry which allegedly could not be put off--and nothing happened."

Though Yugoslavia is not facing collapse, the government authority is increasingly called into question. This is shown by the "new quality" of many strikes which, all official assurances notwithstanding, contain more than wage demands and internal factory disputes. Disgruntlement about party and union bosses is clearly on the increase. "They treat us like enemies, they live off our money, and they do not share our fate," it is being stated in the plants. The dissatisfaction with the workers' self-administration being manipulated from outside and from above is rising: "We have no influence on decisions and cannot even elect our director." Thee is an increase in vociferous appeals to the party and state leadership at long last to "make clear-cut decisions in order to lead the country out of the crisis."

The decrease in muscle of the power apparatus can also be recognized by the warnings of high officials that the party is losing the working class. In fact more and more disillusioned workers are quitting the state trade union league. Further, of the 75,000 Yugoslavs who quit the party in 1984, more than half were workers. One student from Ljubljana who became an enthusiastic party comrade at 16 now has had enough. She says: "One cannot accomplish or move anything, exercise any influence on decisions; genuine criticism is not allowed; there is no end of hypocrites and careerists."

Opinion polls in Croatia show a rapid growth of religiousness particularly among workers. Whereas in 1968 only 33 percent of the young people polled described themselves as "religious," the figure in 1985 was 52 percent, of which more than 75 percent were children of workers. The idols of these people are Mother Theresa and the pope. Lenin comes in in 11th place, and Tito is not mentioned.

What is important, though, is one's nationality. The proletariat in Croatia and Slovenia, sworn to the "unity and fraternity" of socialist Yugoslavia, lets itself be carried away to the worst mob actions at soccer and hockey games, as well as dance festivals, against people of other nationalities from Belgrade or from the "lower" parts of the country. On the facade of the building of a municipal administration in Slovenia, one could see for days the offensive graffito "Entry prohibited to people from the south and dogs."

Five years after Tito it is clear that the system created by the founder of the state does not work without him--neither politically nor economically. The 10 pillars with which he meant to support and strengthen Yugoslavia are turning out to be of faulty design.

1--The constitution of 1974: With it, Tito's chief ideologist, Edvard Kardelj, meant to put an end to Belgrade centralism, bureaucratism, and etatism and, on top of that, take the wind out of the sails of the nationalism which had emerged in the six republics and the two autonomous provinces, Vojvodina and Kosovo. The Belgrade Federal Government was literally disappropriated, having to cede most of its domestic political, particularly economic, responsibilities to the "sovereign" components of the federation. Just as in the party--divided into eight individual organizations on the same pattern--the member states are now in charge of the Yugoslav government. Their representatives form the eight-member national presidium, renewed in regular rotational shifts, which furnishes the national president for a year at a time. They appoint the premier from their midst for 4 years at a time, select "their" cabinet ministers, and dictate to "their" delegates in the two chambers of the Federal parliament how to vote on Federal legislation.

All bodies are ruled by the consensus principle, combined with the right of veto of each individual republic or autonomous province. This is even true where the constitution does not prescribe it, for example during votes in the council of ministers. Thanks to narrow particularist interests, Federal authorities at any time can be blocked by a veto and be enslaved by the lowest common denominator.

Najdan Pasic, leading party jurist and president of the Serbian Constitutional Court, blames for this "exaggeration of the unanimity rule" a "downright pathological fear of centralization" which goes back to "bad memories of the monarchy, civil war, and Stalinism." Tito wanted to prevent any fights for his succession and to make sure that after his death no faction, nationality, or strong personality could win the upper hand. His wish was fulfilled, but at the expense of far-reaching paralyzation of the central Federal authorities, whose inadequate power makes it very difficult, if not impossible, effectively to cope with the crisis. It sounded like a cri de coeur when Premier Milka Planinc recently rebutted those who criticized the allegedly hesitant government action in the crisis by saying: "With what right is all this being expected of the Federal Government, whose responsibility and authority is so limited and is not equal to the demands being made of it?"

2--The law about united work or self-administration of 1976: This giant work of 617 articles, a constitutional jungle in which no worker can find his way any longer, was meant to crown the liberation of the Yugoslav proletariat from paid labor, state and party bureaucracy, and decisions by others. The utopia of rule by the base was to become reality. Thus, on the basis of the constitution and the law of self-administration, Yugoslav industry was divided into about 30,000 autonomous "basic organizatons of united work." These administrative and financially independent economic entities (the Federal Railway alone is composed of 350 separate units) administer themselves through workers councils. In their enterprises, they determine wages, products, prices, ways of marketing, and the procurement of credit and capital and send their representatives to the next higher self-administration level. Originally all of Yugoslavia was to administer itself in accordance with this system.

But the "third way" between capitalism and communism led to chaos, to economic and political dead ends from which the country now no longer can find a way out. Smashed were the unity of the domestic market, all possibilities of coordinated economic management, and also any development of market economy laws, corrections, and stimuli.

An attempt--not very successful--was made to control the disarray with so-called "social agreements" between the self-administration enterprises and with branch cartels. The economic enterprises escalated, the self-administering enterprises were utterly overtaxed, wages and prices rose enormously, and labor discipline and productivity declined. In the words of Leo Mates, former director of the Belgrade Institute for International Affairs, in lieu of the central state and party bureaucracy "dumber and more malign republican and communal apparatshiks" arrogated the power of intervening in the economy. The workers' self-administration became an integral component of the "policentrist etatism" with its eight "sovereign" egotistically high-handed command centers. In the final analysis, their efforts for autarky are responsible for the grotesquely wrong Yugoslav investments, the utterly unprofitable establishment of superflous and uncoordinated lines of production, and the country's massive foreign indebtedness.

The self-administration democracy is the real nucleus of the Yugoslav malaise, which is being fed by the unbridgeably wide gap between social dreaming and political reality. "The liberation of the workers from production, as the self-administration model demands it, has never taken place," says Leo Mates; "workers' democracy has never worked, and management is making all the decisions."

Management, which uses the workers council for implementing its instructions, is supported by local party and state officials--with the same person acting in several capacities, or extreme favoritism. "The integration of economic democracy and ideology is not succeeding," admits Deputy Economics Secretary Novenka Pecar-Sindic. As a party ideologist put it, "direct democracy on the basis of self-administration, if it is genuine, means rejection of the (power) monopoly and therefore is irreconcilable with the system of party rule." The great idea of workers' self-administration was based on the illusion of the state and party dying off, but there cannot be any question of that in Yugoslavia.

In Loznica, Serbia, the worker Vidoje Jancic notes: "Our political system is in a profound crisis, but many people in their comfortable chairs still behave like ostriches, pretending not to see anything." A few kilometers away, on the other (Bosnian) side of the Drina, one can read, chiseled in stone, under a huge portrait of Tito: "Comrade Tito, we swear to you that we will not desert your road." To what extent is that still possible?

[7 Feb 86 p 15]

This instalment is headed "The Monopoly of Impotence--Yugoslavs Place Little Hope in New Belgrade Premier Branko Mikulic--Key Problems Are Being Discussed Openly and in Detail in Yugoslavia, but There Is No Foreseeable End to the Crisis"]

[Text] Belgrade, late Jan 86--The politically dark spots in Yugoslavia include the Republic of Bosnia-Herzegovina, whose onetime president, chairman of the Olympic Winter Games of Sarajevo, Branko Mikulic, takes over as premier in Belgrade in May. He bears the stamp of the strained ideology with which this fragile republic of Croats, Serbs, and primarily Muslims is being administered.

In Bosnia, Yugoslavia's unsolved multinational problems are reflected in miniature. There historical reminiscences of Turkish, Austro-Hungarian, and monarchist Greater Serbian times, and of civil wars, are being kept alive. The bloody history with its reservoir of hate and discord has remained alive. It is being opposed by the communist leadership with dogmatism and thumb screws, with pigheaded resistance against any ideological relaxation and liberation. For heaven's sake, no experiments with a market economy and private initiative, and no mercy for dissidence and criticism of the regime! That is the Bosnian word which Mikulic will take with him to Belgrade when he becomes premier.

As far as civil and human rights are concerned, Bosnia represents a veritable black mark for a Yugoslavia which is interested in being presentable by European standards. An example is the draconian sentence against an alleged "group" of 12 Muslim intellectuals, recently slightly reduced by the Belgrade Federal Court in the last instance. They had been sentenced in Sarajevo in the summer of 1983 for "counterrevolutionary activity," for "hostile propaganda," and for "Muslim nationalism" to imprisonment ranging from 6 months to 15 years.

The trial scene was spectrally Stalinist. Without waiting for the judgment, party leaders and propagandists--with Mikulic in the lead--and Yugoslav media stamped the defendants as "conspirators, traitors, enemies of the people, and terrorists." During the televised pronouncement of the sentence, the court was packed with applauding party activists. The public has been aroused with a hate campaign awakening old anti-Muslim mob instincts.

Supposed witnesses for the prosecution, however, retracted in court their incriminating written statements and complained about police maltreatment, blackmail, and threats. A student stated that the investigating authorities had beaten her and forced her for days on end to learn her prefabricated testimony by heart. One witness retracted and then could not be found for a week, only to reappear in court, newly prepared by the Police, to retract his retraction. Even the judge, Rizah Hadzic, himself a Muslim, was bothered by a bad conscience after the trial--his last. He made an offer to the families of the defendants to serve gratis as their attorney in appealing his own sentence. He admitted that Belgrade fellow lawyers had "tied his hands from above" during the trial.

The trial brought the alleged counterrevolutionaries 90 years of imprisonment--90 years for an abstract endangering of the state, for discussing in the most intimate circles religious theses of Islam, which according to the Yugoslav constitution enjoys religious freedom. This is a textbook case of judicial terrorism--a political and arbitrary Bosnian trial where human conviction rather than an actual deed became a crime.

Return of Dogmatists?

Under these portents, pessimists regard the ineluctable rise of Branko Mikulic to the office of premier as an indication of the return to power by dogmatists and hard-liners. After all, they say, in Yugoslavia, where all human rights are subject to the prevailing "interests of socialism and the working class," freedom is subject to revision, and all democracy reversible.

"Optimists, on the other hand, assume that the liberalization, propelled by the constraints of economic issues and crises, can no longer be reversed. And, finally, minimalists prophesy a "muddling through" of long duration without any clear decision for one or the other orientation.

Indeed there are no recognizable signposts or routes leading out of the Yugoslav crisis mess. "The crisis is strengthening all forces, nationalists and centralists, democrats and supporters of a strongman's policy, reformers and dogmatists," says Zeljko Brihta, commentator of the Zagreb newspaper VJESNIK.

The hard-liners, at any rate, are not satisfied with the present course. They mess around in the economy, gripe about the "imperialist interest servitude" the country has gone in for--being up to its ears in debt to the International Monetary Fund and 600 Western banks. While Yugoslavia, with a debt of about 50 billion Deutsche marks [approximately $21 billion] in the West, has just announced that it will continue to work with the IMF, the dogmatists in the country are already shaking the foundations of the stabilization program passed under IMF guidance in 1983, which prescribes market laws and austerity. They are trying to stop the market-free, and therefore higher, formation of prices. They have already undermined an important part of the IMF anti-inflation policy and prevented the establishment of "real interest rates" adapted to the level of inflation. They resist the stimulation of private industrial energies and the abolition of a regulation which limits the land of private farmers to 10 hectares, while 2 million hectares of agricultural and pasture land lie fallow and Yugoslavia has to import foodstuffs. They are blocking the expansion of small private industry, setting limits for the number of employed, and creating credit and import obstacles, and engaging in bureaucratic chicanery. This is not the way to create hundreds of thousands of jobs for more than a million unemployed: long live socialist equality in poverty!

The state of which Mikulic will take charge as yet is pursuing a more liberal policy. It appears that after a 5-year delay a post-Tito era is to begin. "After Tito's death we were in shock, clung to continuity and unity, and did not want to touch or change anything," says Nijaz Dizdarevic, and intellectually impressive leading communist official from Bosnia; "only now is life without Tito actually beginning, with his testament not to be taken literally but to be adapted to new kinds of needs." Boris Muzevic, secretary in the Belgrade party Presidium, declares 1985 to be the "beginning of the Yugoslav phase of sobering up," of "transition to real alternatives." And he promises, "For 30 years we have tried to put words into action; now we will do so in earnest."

It is a bold promise, though some things have already been set in motion. The crisis debate is being conducted with an impressive openness, supported by an extremely critical self-diagnosis and a diagnosis of the system which would be unthinkable in other communist-ruled countries. The key problems are being identified correctly.

What is at stake is the role of the party, which theoretically has forgone its power monopoly over state and economy since 1952 but which in practice, according to the newspaper DANAS, "is arrogating all decisionmaking," and is doing so "without any regard to the democratic procedures prescribed by the constitution." What is at stake is the central question of political and economic responsibility. What is being debated further is a renovation of the weakly workers' self-administration, split into mini-units and dominated by technocrats, local bureaucrats, and state and party officials. The market economy, differentiation of wages, and the closing of unprofitable enterprises are being conjured up. One deplores the separatist division of Yugoslavia into competing interest groups in the state, the party, and the economy, being guided by the interests of six republics, two autonomous provinces, and eight nationalities. And one deplores what Boris Muzevic calls the "monopoly of impotence" at the Federal level.

Should one first change the political or the economic system? Is it in fact necessary to change the system? Is the crisis not just being caused by an erroneous interpretation of the constitution and a flawed implementation of the workers' self-administration? Is it not human failure and "a lack of awareness" rather than the existing structures and institutions that are to be blamed for the whole misery?

Many questions, and no conclusive answers. A lot of rhetorical wind but no movement. Nejdan Pasic, party ideologist and president of the Serbian Constitutional Court, is right when he says: "In criticism, we are radical; in analyzing the roots of the crisis, already less so; and when it comes down to concrete solutions, hardly any radicalism can be felt any longer." Pasic was a member of a government commission which after years of drudgery and consulting hundreds of experts came up with a "critical analysis of the political system." According to Pasic, it yielded virtually nothing and by and large had to be content with "political-moral messages."

The bottom line of the reform debate in Yugoslavia, conducted at great expense and with a lot of noise, is a few reform band-aids which cannot close the crisis wound by any means. The principle is: Yes to economic corrections, no to system reform.

In the case of reforms, it is a question of laws in various areas (foreign currency, foreign trade, international loans, banks) with whose help it is intended to restrict economically the political decentralization and republican cliques. "Concentration" (the term "centralization" is unpopular) of foreign-currency income is to be furthered. So far 40 percent of it has been in the hands of export firms, and thus of local apparatshiks; now the entire foreign-currency income of enterprises is to be exchanged against dinars at the National Bank. The bank will then distribute the foreign currency among interested importers on the basis of all-Yugoslav export promotion criteria. At the same time it is planned to apply stricter legal criteria, and thus to eliminate the small enterprise banks subservient to local clans and cliques, in order to make possible a larger scale money and credit traffic exceeding provincial and communal limits.

De-Titoization leads to a striking loss of authority of the Tito heirs. "They are no longer pledged to any cause or international role, and all they are looking for is their own advantage, villas, apartments, cars, money, and prosperity," says the courageous civil rights activist Kosta Cavoski openly and with great bitterness. Whereas Tito's historical place of honor definitely is acknowledged--particularly his epochal, though reluctant, break with Stalin--he has become irrelevant for Yugoslavia's burning current problems, even though his portraits continue to hang on the walls of all official premises. Tito would not make it today any longer even if he were alive," says the doyen of Slovene literature, Josip Vidmar, who promoted Tito's election to marshal of Yugoslavia in November 1943.

Quite openly, Tito is being blamed for "unforgivable mistakes." Above all, his growth policy based on borrowing billions of dollars from 1976 to 1980 is being termed "economic suicide."

The mediocrity of the team of servile yes-men whom Tito surrounded himself with and who survived him as rulers is being pilloried. Tito's Stalinist past is being newly revived. Historians charge Tito's communists with having committed "mass murder" of their adversaries after they assumed power in 1945. They accuse Tito's celebrated partisans of having behaved "like vagabonds and chicken thieves." They turn the Chetnik guerrillas, whom Tito fought as "traitors," into "Serbian nationalists."

All attempts to save the marshal's honor are now in vain. A special commission for preserving and developing Titoism complains about a lack of quoting Tito's name and speeches. It is said to have opposed Tito's head being printed on the new 5,000-dinar bills in light of the fact that the value of the dinar is constantly decreasing. The Zagreb paper VJESNIK inveighs against "direct and unequivocal attacks against Tito and his closest collaborators," and trials leading to years of imprisonment are conducted against persons calling "Tito's character and works" into question. But these strongman propaganda and police actions do not seem to be of any use any longer.

Disgruntlement in the Army

And where does the Army stand in this chaos of opinions and political forces? Could it soon be the turn of the generals in Belgrade? Is there a "Yugoslav Jaruzelski" on the horizon? It does not look that way. Western observers and military experts consider a military assumption of power to be "extremely improbable." They take Defense Minister Branko Mamula by his word; he has given assurances that he commands "a people's army, not a putsch army" and "supports the political system." Yet there is growing disgruntlement among the generals about the economic crisis, nationalistic "enemy" excesses, "disintegration," and the weakness of central state and party organs. Top officers make no secret of their longing for the good old "democratic centralism," calling for "radical changes" in the party leadership and a tighter party structure.

It is striking that army spokesmen also make themselves heard on nonmilitary questions in the course of Central Committee discussions, that local militia units subordinate to the Army increasingly involve themselves as strike breakers in labor disputes, that the untoward term of "political security situation" is being used increasingly in the official jargon. Moreover, the defense minister is demanding vehemently and with new self-confidence a legal fixing of the share of the military budget in the national income. Dealing with the internal Yugoslav dangers scored by the military, the secret action plan for "preventing and eliminating emergency situations" passed by the Central Committee provides for comprehensive Army aid. As the motive force and instrument of the supporters of a hard line in the party leadership, the Army must therefore definitely be taken seriously as a factor in domestic politics.

Nevertheless, a solution of the Yugoslav crisis is not being offered by the Army either. So the fateful Yugoslav question remains: how is one to expand freedom and democracy without letting go of communist power?

The dilemma could perhaps be solved if one took seriously the lofty pronouncement of the 1958 party program which led to the second break by Tito with Moscow: "Nothing must be so sacred to us that it cannot be replaced and excelled by something even more free, progressive, humane." There are justified doubts in Yugoslavia that the future head of government, Branko Mikulic, will adhere to that.

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ECONOMY YUGOSLAVIA

CONTROVERSY OVER 'PROGRAMMED INFLATION' CONTINUES

Belgrade NEDELJNE INFORMATIVNE NOVINE in Serbo-Croatian 15 Dec 85 pp 18-20

[Article by Marijan Korosic: "The Mistakes of Programmed Inflation"]

[Text] This fall has been a hot one. Now, in just one month, the cost of living can grow by more than 10 percent. In other countries, with which we must compare ourselves, it does not grow that much in an entire year.

Inflation has certainly contributed to the existence of many dissatisfactions, not just in our country but also elsewhere in the world. Many politicians have gotten ahead because of the inflation that occurred before them. An equal number of politicians have left the scene because of inflation. Recently Professor Cirovic introduced the concept of "targeted inflation" (in English target means goal, so now you can translate it) into our literature. Other economists, such as Professor Perisin, popularized the concept, with the same meaning, but using the more understandable expression "programmed inflation." Every period has had attempts at innovations. Can this idea be called an innovation?

Film Seen

The innovators are not quite original. They merely repeat what we have already had, which did not lead to curbing inflation. They are proceeding from the need to proclaim not only the rate of monetary growth and the rate of the nominal social product, but also a breakdown into a programmed rate of production and a programmed rate of inflation during the next period. They are also proceeding from the need for monetary targeting to enjoy a sufficient degree of confidence among most of the market transactors in the system.

For us, this would mean the establishment of a social consensus between the economic policy-makers and associated labor. "Such a verified and coordinated basis," Cirovic says, "for the adoption of the annual economic policy plans, could then be a basis for the conduct of organizations of associated labor, especially with respect to the determination of the rate of inflation for the current year." And further on: "This would have a coordinated and stimulative influence upon organizations of associated labor seeking, more quickly and actively, ways to reduce their expenses, so that they could be consistent with the programmed curbing of inflation while minimizing recession factors in the implementation of the coordination process."

Even among the initial reactions, there were not many supporters of this idea. Professor Bajt rejected the idea as an unrealistic intellectual construct. He sees the sole element of reality as being the inclusion of the "executive-political structures of the sociopolitical communities" in the social consensus mechanism. This, however, brings us to state and political direction of the agreement process, in which self-management only serves as a screen and a tool for administrative control of the economy. I agree with this assessment. Even this would be enough of a reason not to discuss the idea in academic circles. The idea is not only unrealistic, since it does not take into account even the elementary forms of the price equation, but it also contradicts the socioeconomic foundations of the Yugoslav system. In this system, the commodity nature of business activity, which includes the free action of economic subjects, is the key element.

Programmed inflation, however, found a place for itself in the Draft Resolution on Economic Policy for 1986. A 30 percent price increase is planned. All that remains now is for this inflation to be "redistributed" among the republics and provinces, and for the latter to allocate it further among the main economic subjects. The federal government will be the referee.

We have yielded to proposals that are in conflict with what has been the goal so far, i.e., the Long-Term Economic Stabilization Program. The unique features of our system also include the fact that the same government conducts two economic policies, and changes its policy even before any full implementation of the first policy has begun. Something similar happened to us in 1968. The developments after that year are enough of a basis for predicting what will happen now. Marx often quoted Hegel: history has a tendency to repeat itself, the first time as a tragedy, and the second time as a farce. We in Yugoslavia really have the feeling that history is repeating itself.

There is a definite certainty that the proposal and the already initiated introduction of programmed inflation actually do not have the curbing of inflation as the primary goal (after all, it cannot really be curbed during the foreseeable future); their goal is instead to reduce nominal interest rates, halt the depreciation of the dinar, and adopt administrative measures to oppose price increases. All of this is directed against the economic mechanism that has in fact led to an enormous redistribution of income, but not in accordance with the "outlining" of those who are in favor of the status quo (a status that is becoming a curse!), but rather in accordance with economic criteria that would be the only valid ones, or at least mostly valid.

One does not have to provide much interpretation of what price manipulation means in our country. The revival of the old proposals, which have already been present to some extent in concrete policy, will reduce Hegel's idea to history repeating itself only as a tragedy. Although it is regretable, I will not devote any more space to this, except to emphasize that administrative price control is also in conflict with the new Law on the System and the

Social Control of Prices (in effect since 1 january 1985). This is the first of only two systemic laws (the other is the Law on Planning) that the Assembly has managed to pass since the adoption of the stabilization program. Here we can see what a short time our systemic laws can last, and how difficult it is to defend them.

Abandonment of the Reform

Since the very adoption of the stabilization program, economic policy has encountered a problem that has not been assessed with complete objectivity in politics and the economy, the problem of the repayment of foreign debts. The critics of the present economic policy do not believe that the economic policy measures could have been directed toward anything other than primarily toward maintaining external liquidity, under pressure or without it. Whether some other measures could also have been adopted is another question.

Because of the debts, but even more because of the general turning of the economy toward new markets and a new method of production, exports are the key element in solving the economic problems. The fact is that exports have a 100 percent regular effect on the exchange rate of the dinar. Any vacillation in this regard is immediately paid for with a high price, and this is not just accelerated inflation. Recently there has been a quiet retreat from this vacillating although somewhat more active policy of a real exchange rate for the dinar. The conditions for the possession of foreign exchange are also being changed; in October the possession of foreign exchange was reduced from 46 percent to 42 percent.

Although we will no longer be able to maintain seriously funded economic recommendations, we will have administrative intervention, and we know that this will neither increase exports nor reduce inflation. The burden of correcting the mistakes will only be shifted completely to those who do not deserve it because of their overall economic performance, especially their export performance.

Interest is now the most sensitive part of the anti-inflation policy. The phenomenon of interest, the reasons for its being maintained, its functions and consequences, constitute a difficult problem for economic science. Interest is also linked to the institutional system of a specific economy. With a few exceptions, discussions of interest rates and their role in the self-management system are conducted in general terms, and too often reduced to issues related to technical and banking activities, or even the accounting system.

The Size of Interest

If we take interest simply as a market phenomenon, without consideration of its institutional framework, we should now recall and refresh the theories that have come from K. Viksel, through J. Schumpeter, to the present day. The idea of exploitation, which has come from Adam Smith through Karl Marx, cannot be accepted, since it can only be proven in a stationary economy. According to Schumpeter, for example, a banker is not only an intermediary in the purchasing of goods, but is also a producer of money. Consequently interest is not a compensation for savings, but is rather a payment from the production sector to the financial sector in return for the availability of money. Today we can see that Western economies are passing through a process of profound transformation and modification of the production structure, the changes in which involve mechanisms that, through what is at first glance a neutral market for money and interest, are accomplishing enormous and essentially civilizing changes within individual developed economies, as well as changes in the international division of labor that will leave lasting consequences.

But what theories is our interest policy based on? The first serious steps in using interest as an important market mechanism were taken in the planning documents for 1982, when interest was put in a more active position in order to stabilize economic trends. Since then interest rates have nominally increased sharply, but this has nevertheless not turned them into real positive interest rates. In order to evaluate interest policy, we should also take into account the fact that the actual interest rates (for old and new credits and exceptions) are far from corresponding to the prescribed interest rates (the maximum ones). For example, in 1984 the average actual active interest rate was 11.75 percent, and the passive one was 7.44 percent. Both are far from real interest rates: the former by 28.55 percent, and the latter by 33.47 percent.

One could continue to list many figures, but it is not necessary here. If we turn only toward the producers and ignore consumer interest, several fundamental relationships to which the economic system has led should be emphasized. Most of the property of the socialized sector has been financed with its own capital. That would be a very good situation if it did not conceal the following problems. In the first place, most of the property and its own sources was created through a revaluation of the funds, while capital formation from distribution has contributed relatively little to an increase in the business fund. In the second place, with a high level of investments relative to the economy's capital formation capability, only modest possibilities remained for financing working capital through savings. Investments in inventories represent an enormous and increasingly greater part of the social product. We can identify the way in which working capital is used as one of the basic causes of the deterioration in the quality of the economy. The increase in interest rates did almost nothing to reduce inventories in relative terms. This is because the Yugoslav economy does not react to demand. Prices are only adjusted with respect to costs, and so the economy is able to take any credit at any interest rate. We also have a third negative phenomenon in the financial structure. The favorable ratio of the property of the socialized sector and its business fund has been achieved while simultaneously creating losses in the Yugoslav banking system. It seems that these losses are now the primary fuel for inflation.

Systemic Rentiers

In such a situation, there has to be an increase in interest rates, first of all up to the rate of inflation, and then beyond it. This increase is a means of eliminating the negative consequences that inflation is inflicting upon the economy and the population that saves. Inflation is systematically destroying distribution according to work, and so the introduction of real interest is a socialist instrument. Interest that is below the rate of inflation is not rentier income, as some people think. The greatest rentierism occurs in the distribution of the income that arises on the basis of unreal expenses.

Inflation and interest that keeps pace with it will bring about a concentration of capital formation in some production and financial sectors, and this will lead to structural changes. If we adhere to the definition that the priorities are where the greatest economic results are expected (which can consequently also pay the highest interest), then interest makes possible a new redistribution of capital formation in accordance with economic criteria. Naturally, handicapped thought takes as the priority those areas in which capital formation is being artificially forced (on the basis of unrealistic plans or regardless of them, it is all the same), independently of economic criteria, and so will not agree with the allocation function of interest. This is why the real experts are crying so much for real interest.

The basic mistake of a theoretical-methodological nature that is made by the critics of the present economic policy is that they feel that any inflation, and thus Yugoslav inflation, is directly linked to the methods of the implementation of economic policy. This is not far from the frequently critized thesis of Milton Friedman that "inflation is always and everywhere a monetary phenomenon." A much more cautious definition should be preferred, even though inflation has become unbearable and should be reduced as soon as possible. The above assessment of economic policy by Yugoslav critics conceals mistakes that are inconsistent with a materialist concept of development.

Nevertheless, one should believe that the creators of economic policy will not yield to ideological attacks, and that, taking into account and perceiving the full complexity of economic laws and the needs (and the federal government has the capability of seeing the whole), they will obtain the strength and incentive for different and more fundamental changes in the system, and not eliminate even the little progress that has been achieved in economic policy.

The international market and the competition punish mistakes and delays. Technological stagnation, and in some opinions backwardness as well, could bring us in the foreseeable future to an even more serious and dangerous crisis than the one caused by overindebtedness and disrupted relationships in the economy. Any acceptance of the idea of programmed inflation will not reduce inflation, but only create a gap between prices and the need for capital formation in the more energetic sectors of the economy. It would intensify the extent to which we are lagging behind the rest of the world.

9909
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MACEDONIAN FOREIGN TRADE DEFICIT FOR 1985

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 4 Feb 86 p 3

[Excerpts] The economy of Macedonia, occupies sixth place after Montenegro and Kosovo in creating the Yugoslav social product and occupies seventh place after Vojvodina in regard to coverage of imports by exports last year. At the same time one should note that Croatia occupied sixth place as regards import/export coverage although it is first in creating the Yugoslav social product.

Part of the reason for Macedonia's unsatisfactory foreign trade results stems from...irrational investments such as that of "Feni". According to the latest report, the economy of this republic will have to bear about one-half a billion dollars in damages as a result [of irrational investments].

Macedonia exported $541 million worth of goods last year, or 5.2 percent of all Yugoslav exports and only 6 percent less than Macedonia's share in the Yugoslav social product, which is the same percentage that Croatia is lagging in exports compared to its share in the social product.

In regard to imports, Macedonia spent $848 million last year, or 7.1 percent of total Yugoslav imports, resulting in a deficit of $307 million and coverage of imports by exports was only 63.8 percent (only Vojvodina showed worse results).

Data on imports of energy raw materials is needed because the Skopje refinery was built for "imported oil" and on the basis of hard currency credits. This republic spent $272 million last year to import 1.01 million tons of oil and 215,000 tons of oil derivatives, which is 11 percent of the total amount of $2.484 billion spent to import energy raw materials.

Macedonia exported $351 million worth of goods to the convertible-currency market, or 64.8 percent of its total exports and 5.5 percent of Yugoslav exports to this market. It imported $497 million worth of goods from this area, or 58.6 percent of the republic's imports and 6.2 percent of total Yugoslav imports. The coverage of imports by exports was 70.6 percent and the resulting deficit of $148 million [as published] is 8.8 percent of the $1.661 billion deficit of all republics (except Slovenia) and both provinces (in which Croatia, Vojvodina and the Federation predominate) on this market.

Macedonia exported $190 million worth of goods to the clearing-account area, or 35.2 percent of its total exports and 4.7 percent of Yugoslav exports to this area. It spent $351 million on imports from this area, or 41.4 of republic exports [presumably, imports] and 9 percent of Yugoslav exports [presumably, imports] to this area. This resulting deficit of $161 million is 1/4 of the $629 million deficit Bosnia-Hercegovina, Macedonia, Slovenia, and Vojvodina have on this market. The other republics and Kosovo have a favorable balance of $760 million with this area.

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ECONOMY YUGOSLAVIA

PROVINCE OF VOJVODINA SHOWS POOR FOREIGN TRADE RESULTS

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 5 Feb 86 p 2

[Excerpts] The Vojvodina economy in regard to foreign trade results represents a collection of contradictory elements for which a solution...has not been found..., although it is clear that things cannot continue to this way. According to the level of economic development, Vojvodina is third in the country. According to its share in creating the Yugoslav social product it occupies fifth place, with 11.6 percent, but its share of exports in the province's social product, is only 21.7 percent.

This is frequently explained...by [Vojvodina's] unequal position regarding exports of agricultural products. Price formation, along with application of the so-called cost principle which has dominated Yugoslav agriculture for more than a decade and its introduction into the oil industry 2 years ago, is...one of the most important causes of the above results.

Last year this province exported $860 million worth of goods, or only 8.2 percent of all Yugoslav exports, and the negative difference between its share in the Yugoslav social product and its exports is 3.4 percent, or more than that of any other republic or province. Vojvodina exported only 21.9 percent of its social product, or 89 percent less than the country average and 52 percent less than that of Montenegro.

There is no doubt that preventing the export of certain agricultural and food products partly contributed to such unfavorable export results, but even without this restriction much would not have been achieved. Producer prices of these goods could not nearly compete with those on the world markets because they are formed according to the cost principle. Also, Vojvodina...meets most of its needs in electric power and coal from other [Yugoslav] regions for which ...sales abroad are also limited because this is in the interest of the country.

There is no doubt that preventing the export of certain agricultural and food products partly contributed to such unfavorable export results; but even without this restriction much would not have been achieved. Producer prices of these goods could not nearly compete with those on the world markets, because they are formed according to the cost principle. Also, Vojvodina meets most of its needs in electric power and coal from other [Yugoslav] regions for which sales abroad are also limited because this is in the interest of the country [i.e., to sell domestically].

Vojvodina imports last year amounted to $1,453 billion, or 12.2 percent of Yugoslav imports but also 36.8 percent of the province's 1984 social product; thus, its trade deficit was $593 million, or more than any other region of the country. When it is known that nearly one-half of the province's imports ($708 million worth) consist of energy raw materials, oil and oil derivatives, which are spent throughout Yugoslavia, one could conclude that this is unfavorable for Vojvodina. But this is only a first glance. Exports from the entire Yugoslav economy provide the funds for importing these raw materials. In addition, Vojvodina sells about 1.4 million tons of its oil to refineries at world prices, earning about $180 per ton, in addition ot its sale of oil derivatives at prices averaging three times more than those paid for imported raw materials.

Vojvodina exported $511 million worth of goods last year to the convertible-currency market, and imported $776 million worth, or 53.4 percent of its total imports.

It exported only $349 million worth of goods to the clearing-account area but imported $677 million worth of goods from this area last year.

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ECONOMY YUGOSLAVIA

BRIEFS

BOSNIA-HERCEGOVINA FOREIGN TRADE--In 1985 Bosnia-Hercegovina exported $1.469 billion worth of goods, or 14.1 percent of all Yugoslav exports and 7 percent more than the share of this republic's economy in creating the Yugoslav social product. At the same time this republic imported $1.601 billion worth of goods, or 13.5 percent of total Yugoslav imports and 1 percent more than this republic's share in the Yugoslav social product. Bosnia-Hercegovina received from the Federation $529 million in hard currency to import goods last year; this amounted to 33 percent of its imports. For this amount it imported 2.832 million tons of coking coal, 1.4 million tons of oil, and 155,000 tons of oil derivatives. As has been characteristic for this republic for several years, it bought and sold more on the convertible market than on the clearing-account market. It sold $885 million on the convertible market, or three-fifths of all exports from this republic but 15 percent less than the average countrywide exports [to this market]. At the same time it imported $912 million worth of goods from this area, including, as noted, $529 million worth of energy raw materials. Bosnia-Hercegovina exported $584 million worth of goods to the clearing-account area, or two-fifths of all exports of this republic and 14.5 percent of Yugoslav exports to this area, but it imported $689 million worth of goods. [Excerpts] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 30 Jan 86 p 3] /8918

CSO: 2800/175

RELATIONSHIP BETWEEN CEAUSESCU, MILITARY DISCUSSED

New Role of Army Examined

Frankfurt/Main FRANKFURTER RUNDSCHAU in German 7 Jan 86 p 3

/Article by Harry Schleicher: "Romanian Army Caught in Crossfire"/

/Text/ The energy crisis, supply shortages, overall winter doldrums--they have all become part of everyday life in Romania, just like ambitious plans. And just as much in keeping with tradition the New Year was rung in with announcement of great economic goals. The 1st year of the new 1986-1990 5-year plan alone is supposed to achieve economic results equal to the entire preceding 5-year plan. GNP is supposed to rise by 10 percent and overall production even by 12 percent.

But whatever the plan or the propaganda may say--among the population dissatisfaction and skepticism regarding the glorious statistics which hardly have any bearing on everyday life are growing. It also seems as though dissent and criticism of state and party chief Nicolae Ceausescu's economic policies is stirring. That at least is the conclusion to be reached from public statements he himself has recently made.

Not too long ago, in speaking before the RCP Central Committee, Ceausescu complained about the fact "that some party functionaries bearing great responsibility have not been making enough to an effort to implement agreed upon programs and plans...At times, I have the impression that some functionaries believe that they can afford to ignore decisions and the law of the land when they have been given a job to do."

In particular, the state and party chief addressed words of warning to representatives of the highest party and government bodies, i.e., the Central Committee, the Political Executive Committee and members of the cabinet, saying that he will not countenance "a single deviation from the law of the land and the decisions of the party." He concluded his philippic by saying: "We are not a debating society; we are and must remain a revolutionary party..."

There is no other country in Eastern Europe which permits as little information to become public as Romania when it comes to events inside the power centers. One of the reasons for this is that power itself is increasingly concentrated at the top of the pyramid--with Nicolae Ceausescu sitting unchallenged at its apex. The style of political rule which has become a hallmark of this system makes it extremely difficult to obtain any information on deviation and much less opposition in anything like real terms.

Still, Ceausescu's criticism of the leadership cadres and his vehement rejection of any structural reform ideas (e.g., granting more influence to the private sector as in Hungary or China) are clear evidence of the fact that reform ideas are in fact being debated below the surface. Apparently there are some responsible people secretly asking whether the severely imbalanced economy might not be put back on its feet through the introduction of such alternative programs. In the meantime, however, Ceausescu himself is continuing to harden is position as the most dogmatic proponent of antireform policies.

One concrete example of this is Ceausescu's order to use the army to resolve the energy emergency which has hit the country during each of the past three winters. This action recalls the policies of early Leninist war communism, i.e., the very opposite of a reform policy such as the one subsequently introduced by Lenin.

But there are other events which have turned the spotlight on the army as a major factor in Romanian domestic policy. During the 20 years that Ceausescu has been in power one has gotten used to the personnel merry-go-round turning faster and more often all the time. Just the same, the way the changing of the guard at the head of the Defense Ministry occurred was a bit surprising. Defense Minister Constantin Olteanu had just returned from a visit to Moscow when Ceausescu introduced Vasile Milea as his successor at a plenary meeting of the command and party directorate of the Romanian Army.

Milea's grand entrance in the presence of his commander-in-chief, Ceausescu, topped all previous records of obeisance and servility. "We ask you to permit us to attest to our great respect and esetem for you, the most illustrious son of the Romanian people, the hero of heroes of the people, the brilliant director of the destiny of our country, an outstanding personage of the present-day world, whose name is an expression of the glorious era inaugurated at the historic Ninth Party Congress (in 1965 when Ceausescu became chairman of the RCP, Ed.), a name which has inscribed itself into the consciousness of mankind as a symbol progress, freedom and peace."

Does this type of byzantine language merely represent an aggravated continuation of existing leadership styles or is it a reflection of an actual political process behind the scenes? Although former Defense Minister Olteano was appointed to the rather influential post of party secretary for Bucharest, Ceausescu's criticism of the army leadership was hard to overlook.

Two particular subject areas were the subject of special criticism: the role played by the army in economic life and its unsatisfactory collaboration with the security units (police and secret police) under the Interior Ministry and the patriotic Youth Guards. Ceausescu criticized the officers for "doing somewhat less today on behalf of the general development activity of our country than was done during the first years of building socialism."

As a consequence, the army has been assigned five additional economic tasks during the new planning year. It is to make a major contribution to the construction of a canal from the Danube to Bucharest which is turning the capital into a major European inland port. The army has also been ordered to help in the establishment of a 1.5 million hectare irrigation system and a reforestation program. There is good reason to doubt that such use of the army as unpaid labor will meet with general approval. Ceausescu himself indicated that the action was being criticized within the army itself--resumably among the officers who consider such work beneath their dignity.

The second major criticism which culiminated in Ceausescu's calling on the army to play a greater role in the state and in society reads like an admission that something like an independent, particularist trend actually exists inside the Romanian Armed Forces. This might explain why Ceausescu expressly called for closer collaboration between the army and the units of the Interior Ministry and for improved political training for officers "with the revolutionary communist spirit."

One sometimes hears it said that the army cadres are dissatisfied with their material status as compared to the Interior Ministry's security units. Although there is no proof of this, one may assume that Ceausescu is trying to counteract the dissatisfaction heightened by the economic problems by ordering the army to collaborate with (or rather submit to) the security forces over which he has more control. Romanian domestic policy which seemed to be going nowhere for such a long time appears to have started moving once again.

Opposition to Ceausescu Alleged

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 27 Dec 85 p 5

/Article by "V.M.": "Resistance in Romanian Army"/

/Text/ Vienna, 26 December--In a speech to officers on 17 December, the full text of which has now become available, Romanian head of state and party chief Ceausescu has confirmed that there are signs of resistance inside the army in opposition to his policies and that the recent change at the top of the Defense Ministry is a consequence of this dissent. Ceausescu's speech also indicates that the major reason for dissatisfaction among the officers is that the "leader" is making increased efforts to commit the army to the solution of purely economic problems, in particular in construction work. Ceausescu appears to feel that he has no other recouse in view of the economic difficulties; but he also seems to think that this action affords him the only opooportunity to carry out new and ambitious projects which rest on rather weak economic foundations.

Ceausescu's polemical statements indicate that the officers and men of the Romanian Army appear to think that it is their job to defend their country and that they should not be doing construction work like prison inmates. At the very start of his speech to the assembled high-ranking officers and political commissars in the presence of his wife Elena Ceausescu said that the point was to create "better conditions for the realization of the new 5-year plan" and the party decisions." Within this context," he said, it had become necessary to make "some changes" within the army. He then announced the replacement of Colonel General Oletanu by Colonel General Milea as defense ministers. Olteanu has since reappeared as party secretary and mayor of Bucharest--a responsible job but one which also involves a lot of headaches. For that matter, the incumbent is in constant danger of being made a scapegoat by Ceausescu for supply problems and other shortcomings.

Ceausescu went on to say that he wished to be "very clear" about the need for the army to participate in building the economy. This contribution, he said, was an "indispensable part" of the army's combat and defense role. He also wanted to "make it clear" to the officers that he felt there was a need to look for better ways of cooperation by the officers themselves and their cadres in the development projects of the nation. At the same time, Ceausescu referred darkly to "military cadres" which had been assigned to various economic activities and which would return to army ranks only if they were needed, i.e. in case of a national emergency. It is not clear whether Ceausescu was alluding to punitive transfers or simply to reassignments--as in the case of the recent decision to "militarize" the power plants.

Ceausescu also announced what jobs he needed the army for. The army had previously been assigned to work on two projects of doubtful economic value, e.g. the Bucharest subway and the Danube-Black Sea Canal. As part of the new 5-year plan which starts in early 1986 Ceausescu proposes to build a new canal, this time from the Danube to Buachrest. He also wants the army to carry out major irrigation projects in connection with the construction of the canal and to perform reforestation work in other areas. Observers are not sure whether Ceausescu now means to militarize the economy or to "economize" the military.

In all likelihood, this question will continue to be debated. In this context it would therefore seem to be worth noting that Defense Minister Olteanu who was obviously on his way out was given such a splendid reception in Moscow. In his speech to the officers, Ceausescu devoted surprisingly little time to the question of cooperation with the Warsaw Pact. By the same token, he sent his new foreign minister, Vaduva, to Moscow--perhaps, as some observers believe, in order to inform the Soviets about the visit by U.S. Secretary of State George Shultz. In a joint statement with Bulgarian party chief Zhivkov, Ceausescu made an additional concession to Moscow. Apparently on the basis of a Romanian initiative, the statement includes a proposal to turn the Balkans not only into a nuclear-free zone but also into a zone free of chemical weapons. The Bucharest party organ SCINTEIA is calling this proposal an expression of utmost wisdom and responsibility.

9478/12228
CSO: 2300/171

MILITARY YUGOSLAVIA

COMMANDER OF LJUBLJANA MILITARY DISTRICT INTERVIEWED

Ljubljana MLADINA in Slovene 20 Dec 85 pp 10-13

[Interview with Svetozar Visnjic, Ljubljana Military District Commander, by Miha Kovac and Uros Mahkovec: "We Have No Specific Interests of Our Own"; date and place not given]

[Text] Lieutenant Colonel General Svetozar Visnjic has assumed the duties of commander of the Ljubljana Military District (LMD) not long ago. He was born in Slavonia, and he has followed the military vocation for 42 years.

The interview with him took place during the preparations for celebrating the YPA [Yugoslav People's Army] Day. In the interview, we did not want to merely fulfill a courtesy or protocol duty. Since the armed forces are an important part of the social production process and our reality in general, we feel that one of the fundamental duties of the news media, including Mladina, is to acquaint the public with the various points of view, including the thoughts and positions of the members of the armed forces, and thus contribute to the formation of the public opinion and the further socialization of defense affairs and defense problems.

[Question] In reporting and writing on the YPA and the armed forces one fairly rarely comes across those minor matters and duties that usually constitute the major portion of each and every working day. We are therefore interested in some totally small and seemingly unimportant things of interest from the working day of a YPA commanding officer!

[Answer] With your permission, I would like to expand that question and say something about certain principles and postulates which form the basis for human relations in the YPA and about how we view the state of those relations, since that is one of the main and most important questions for the strengthening of unity. One of the fundamental values of moral and political unity, and combat readiness and strength of the YPA are its personnel and its internal relations. The army is socialist and revolutionary in its nature, it developed out of the People's Liberation Struggle, and it is the armed force of all the nationalities and national minorities of Yugoslavia. Life and work in the army are based on relations stemming from the nature and character of our self-managing socialist society because we are the army of this society which is socialist and revolutionary. The social position of of the individual in society and the human relations in the army change and grow in accordance with the development and democratization of social relations; at the same time, the role of the individual is constantly becoming stronger, the factor of awareness grows as do the factors of volition and motivation, all of which has an influence on the building of relations in the army. Human relations in the army are based on the principles of subordination and the chain of command. Within these limits (subordination and the chain of command), respect for the individual and the development of socialist humanism in the full sense of the word find their greatest expression. We must be aware of the fact that the army is part of that society, that it is not an organism outside of social trends and social relationships. Consequently, all the problems, deformations, and contradictions that appear in the society during its development will manifest themselves in the awareness, behavior, and mood of the military component and of each individual, in their approach to duty, tasks, and everyday obligations. We are proceeding from a firm ideological commitment based on the LC [League of Communists] platform and on each senior officer's ability to lead a unit and the people with knowledge, ability, skill, and personal example and not only with the formal position and authority given to him by his position in the organization. These are the main principles and demands placed on every senior officer in the YPA. Such senior officers are not developed and formed by themselves. This is a continuing process and an organized educational-training, but primarily ideological and political task that is begun in the military schools and continued without interruption throughout the time spent serving in the YPA. In our view, the military schools play the most important role in this, because they must form, during the process of schooling and educating, the basis of such conduct; also, all the other factors and personnel in the military organization are also important, because a person must, by using the knowledge and experience acquired in school, continue to improve himself. Of course, school cannot provide all that is necessary for one to discharge all the duties he comes across in the YPA; instead, these skills must be developed and improved through the performance of duty. These then are some of the postulates on which human relations in the army are based. We in the LMD feel that human relations and respect for the individual are on the whole very stable. There are no serious or acute problems that would indicate that there is no respect for the individual, that it is not possible for every individual to express himself, or that the principles of subordination and chain of command are being abused. In our army collective work is developed, very well developed, as are the collective evaluation of the situation and the collective discussion of problems, from leading to covering the rear, and all other factors.

Each senior officer in the army has the opportunity to present his proposals and views in accordance with the scope of the duties he is performing; we then evaluate them at collegium level (collegia are formed at all levels of command), and decide on the wisest course of action in a given situation. In the process of formulating decisions that pertain to command, it is easy for every senior officer to present his views, and disagree, disagree in a well-reasoned manner, with another view; the collective evaluates all this. The chain of command, however, manifests itself in having the commander in question make his decision on the basis of such discussions; afterwards, no one has the right to question the decision. When that is done, everybody must perform his part of the tasks stemming from such a decision, and implement what has been agreed upon. This pertains to leadership and command; regarding the management of human and other relations at the unit level, we have developed in each unit designated and organized personnel groups. They are the military collectives, LC and Alliance of Socialist Youth of Slovenia [ASYS] organizations, committees for order and discipline, committees for cultural and recreational activities, and committees for the security and protection of the units. There are various opportunities for the collectives and their bodies, and thus for the soldiers themselves, to discuss all aspects of human relations and suggest to the senior officers and collectives what should be done to expand and improve these relations, and so on. In this sense, each soldier affirms himself as a person and not an object manipulated by the decisions. Thus, he is a person that participates in decision making. In other words, we feel that is the only basis for reaching the best and most suitable decisions, and that afterwards such decisions are quite useful for developing a unit's combat readiness and strengthening its internal cohesion. It is understandable, however, that there still are certain problems. God has not, so to speak, made all men such that they would automatically accept all this. We try, however, to remove all these weaknesses and to harmonize these relations with the meaning of the army through organized educational work, collective work, work of youth organizations, the development of a high ideological awareness, political work, etc., and thus to strengthen, develop, and enhance them.

[Question] It is a generally known fact that the tremendous technological progress, both abroad and here in Yugoslavia, has had a very powerful influence on the development of contemporary military technology and strategy. The YPA as well has recently introduced certain new organizational things into its makeup. We are primarily interested, for example, in the experiences to date in the introduction of professional soldiers (contract soldiers), and in the experiences and analyses of the voluntary training of women.

[Answer] We do not yet have any experiences regarding the introduction of contract soldiers. This is a new thing that was introduced with the law on military service, which was voted upon in the Federal Assembly only recently. As you yourselves noted, we are introducing this category of soldier because very demanding technological equipment, demanding weapons systems, demanding communications systems, and other demanding technical systems are being introduced into the army, all of which requires a greater professionalism and comparable experience. For that reason we have introduced the category of contract soldiers. This applies to soldiers who, after completing their military obligation and after becoming trained for various tasks, would continue on a contract basis. We would thus ensure effective use of these technically and electronically demanding systems, on which these soldiers were trained, and make it possible for these systems to easily perform in armed combat in a manner consonant with their technical capabilities. After the law is adopted, it will be necessary to adopt a whole series of ancillary acts and systemic solutions that will specify who these soldiers are, for how long a time we would accept them, under what financial terms, where would they be housed, and what rights would they have. Only then will we know what the response is, and what the specific circumstances and problems with contract soldiers are.

Regarding the training of women, we have concluded a three-year trial period. During this trial period, we tested the possibilities for the military training of women for armed combat. The training took place in special women's units. We in the LMD have tested such service and training in communications systems and quartermaster service. The main feature of the system was that women volunteered for such training in accordance with certain criteria. The three-year period has shown that it would be difficult for the volunteer system to meet the needs, because the response was not sufficient and we could not use this system to ensure that the entire female population is trained for certain combat tasks. As far as relating to and commanding these women are concerned, I can certainly say that their approach to training was exceptionally serious and conscientious, and that they achieved good results in the technical areas. This trial period has also demonstrated that it is necessary to make appropriate changes and additions in the system of training in order to essentially ensure the constitutional right of all women to participate in the defense of the country and to train for that. There have been a great many discussions on how to go on with the system of training, both here at the level of the LMD command, in the republic secretariat for territorial defense, in other social bodies, and at the federation level. The Yugoslav presidency has been informed of the entire problem, regarding which there have been proposals, but the final decisions have not yet been made. The essence of the future decisions, however, will be that training should take place on a substantially broader basis than in the past, that most of the training should take place in the socio-political communities, in schools, in work organizations, and everywhere where women live and work. For certain special services, and especially for senior reserve officers, the training will probably have to take place in the YPA and Territorial Defense military schools and training centers or else in the YPA units. We expect that is will be possible to answer all these questions in the summer of 1986. We will then, in accordance with the decisions that have been reached, approach the organizational, financial, and personnel preparations, in order to implement this in a systematic manner. This is all I can tell you about this matter.

[Question] The stabilization of the economic situation is the priority of the moment. We are interested, for instance, in what specific ways is the LMD involved in these efforts and mainly in how its incessant demands for more and more complex military technology and equipment are being harmonized with the current financial situation?

[Answer] You see, the adoption of the long-term economic stabilization plan and the decisions from the 11th session of the LCY [League of Communists of Yugoslavia] Central Committee on the implementation of that plan have placed us, YPA members, under an obligation to incessantly initiate, encourage, and evaluate activities related to the plans for spending, to economize and rationalize, and to have the YPA act in the spirit of those postulates more and more, as much as possible. We are approaching these instructions in a planned and organized manner with the active participation of all personnel, from the soldiers' collectives and the LCY and ASYS organizations to the command authorities, which have the most responsibility in this regard for organizing and adopting suitable organizational measures. The results achieved by the LMD members every year confirm that stabilization conduct has indeed become our style of work and an integral part of the performance of all of our duties. We feel that the greatest contribution to stabilization is to have every dinar that is spent reflected in greater effectiveness and overall combat readiness and preparedness of the units and individuals. Furthermore, the effects of stabilization in the LMD manifest themselves in certain other areas. This is true primarily in the areas of saving energy, cooperation with the population, assistance to the socio-political organizations and socio-political communities, in work done on our own projects, and in our efforts in food production and other types of production that we are trying to develop. In all these areas there are specific indicators of economizing and of concrete results that have been achieved. Let me cite a few things in support of this: in cooperating with the society, so to speak, with the socio-political communities, the opstinas, and others, we have in 1985 built 8 kilometers of roads and repaired approximately 23 kilometers, built approximately 13 kilometers of aqueducts and dug approximately 15 irrigation ditches; members of our units have dug approximately 60 kilometers of trenches for the Post, Telephone, and Telegraph [PTT] telephone cables. In this regard, we feel that the most important task, done in cooperation with the PTT and other work organizations, was finishing the central coaxial cable which, as you know, in Slovenia runs in two main directions. In nine months of this year the members of the LMD have spent a number of work days assisting the socio-political organizations and socio-political communities. Our orientation toward our own projects, such as repairing housing and various service installations such as laundries, cleaners, and service stations is also very significant. We estimate that this construction was approximately 45 percent less expensive than it would have been had it been done by work organizations. Our efforts in food production are truly an important item in saving dinars. In only nine months of this year we have produced approximately 230 tons of meat, approximately 116 tons of vegetables, and approximately 200 tons of grain, and we have prepared the wood necessary to heat our units. We have prepared most of the hay for our livestock, lest we would have to buy it. There are a number of other indicators which point out that we have achieved important results in this area. In addition, we are also developing and cultivating certain other activities and we are concerned with new procedures for maintaining and modernizing technical equipment. We have extended the useful life of batteries, which were in critical supply on the market, discovered a way to better maintain tires on vehicles, we have implemented a number of new procedures for storing weapons and taking them out of storage and thus accelerated this process and at the same time ensured greater stability of weapons and stored equipment, etc. We estimate that this year all the activities and savings that we will implement in the LMD will amount to around 7 or 8 percent of the entire amount allocated to us for the year.

Along with all this, I especially wish to emphasize that all these stabilization efforts have had no effect on the quality of training. We are employing the soldiers in these tasks only and exclusively after they have completed their training. As you know, the length of training in the YPA varies, and it lasts at most 5 months and 22 days. During that time, the soldier acquires the basic knowledge necessary for combat. Only after that is he assigned to a unit for maintenance, prevention, etc. We draw from this contingent to ensure the minimum number of troops necessary to perform these tasks, and they are mainly agronomists, veterinarians, and various experts.

In addition, certain civilians are regularly employed in these areas, such as veterinarians, agronomists, and tractor drivers. Large numbers of troops are used only on special occasions, such as when the harvest needs to be put away or gathered;at those times we involve large number of troops, and our activities of that type are done in addition to other things and have no direct influence on the training and combat readiness of the units; still, it is important because it contributes to decreasing the overall cost of living and doing business in the YPA. In all of this, we are directly striving to have the society allocate as little money as possible for the armed forces. These then are some of the results we have achieved in the area of savings and doing business economically.

[Question] Because of the YPA's specific social position, the relationship between it and the news media is more and more complex. Military and defense interests dictate a system of military secrets, while on the other hand the responsibility of the news media for continuing to develop the socialization of All People's Defense is quite great. We are interested in your opinion on how it is possible to harmonize these, at times seemingly opposite interests. Within this context, we would like to pose some additional questions. Abroad and in Yugoslavia peace movements are acquiring more and more public attention and influence. How do you think it would be possible, in the relations between the army and these movements, to bridge these two apparently totally unbridgeable sides?

The initiative for a so-called "agreement of conscience" has been around for some time also in the OZN area of activity. What is your position on the possibility of doing military service in such a designated civilian service?

Lastly, we would like to ask you quite specifically what steps the LMD command is taking to correct the well-known fact that the number of the members of the Slovene nationality going into active YPA service is small.

[Answer] With your permission, I would like to spend some time on this question. According to our views, informing the public about the armed forces is an integral part of real socio-informational activities. As much as we are apt to talk specifically about information on the work and activities of the armed forces, we are doing this in order to emphasize the reporting in accordance with the specific defense interests of the state. The importance and purpose of reporting on the Yugoslav armed forces stem from constitutional stipulations and the social significance of the armed forces as an important social activity. When the news media report on this aspect of social activity, they must do it very responsibly and in a manner that will help to create and strengthen an ideological and action-oriented public opinion which is consonant with the concept of All People's Defense and which will help in strengthening our overall defense and protection system. In this regard, the news media are not isolated, they are part of the society's system. In this regard, all the principles and guidelines pertaining to reporting on the armed forces are valid, just as is the case with other segments of our society. The only stumbling block to reporting is the institution of military secrets, which quite frequently causes certain errors and misunderstandings. The institution of military secrets has been established and specified by law, and is respected to the extent that it affects the security of the state. We are thorough in searching for the best ways to reduce its scope and to bring it into the most restricted framework possible.

In our past dealings with the news media in Slovenia in regard to informing the public of the activities and work of the LMD members we have had no substantive complaints. Of course, I am referring to planned and organized reporting, which is when the journalist knows what he is writing about and why he is doing it, and he approaches it in accordance with the usual reasons for reporting. When they are understood to be necessary, military secrets are usually not an obstacle to objective and complete reporting and usually they do not prevent the process of the socialization of defense and protection activities. Our barracks are always open to any well-meaning journalist, and we are willing to talk and explain things. We are convinced that in this regard our army is the most open in the world. This openness comes about naturally, and it stems from the army's popular and class nature, from its social essence that was developed during the National Liberation Struggle, from all the nationalities and national minorities and, considering the specific circumstances of people under arms, it represents the socialization of the army. In this context, we are part of the armed people.

When, in noting the social role of our armed forces, one for whatever reason, forgets the essence of their social being, then one can indeed equate the role of the armed forces in our society with the social role of the armies in bourgeois societies. The roles are not at all the same, and this fact must always be present in all the news media, otherwise we would view the armed forces as an independent center of social power, struggling for its own specific interests. We, on the other hand, have no specific interests of our own. Such views and misunderstandings have also resulted in certain articles with no substance, published specifically in your jounal, Mladina. These articles supported certain groups and individuals advocating a revision of the military service. In our view, this could easily have a negative influence on young people, who could adopt such an attitude toward the army and its constitutional role. What these authors have claimed to be the principles guiding men under arms has no foundation either in Marxist theory or in the current world situation. At a time of exacerbated economic difficulties and a certain closing off of republic and province boundaries, the YPA is more and more frequently becoming the target of various nationalist, anti-socialist and antiself-management forces. These forces are especially bothered by the YPA's all-Yugoslav nature, the fact that it nurtures and broadens brotherhood and unity and an all-Yugoslav socialist patriotism. They are attacking it primarily because the YPA, by its nature, is one of the cohestive and stabilizing factors in Yugoslav society. Since their goal is to break up the society, they msut first break up those elements that have a cohesive influence on the stability and the all-Yugoslav nature of the society. In our view it is not strange that there are such divisive views among individuals and groups, because this is natural and not against the law. We must become concerned, however, when these elements are given expression in our socialist news media. In this regard, the social bodies and organs in the newsrooms and editorial offices must take greater responsibility, because they, like us, have dedicated socialist people, who are struggling for our self-managing society. I think that tendentious and sensationalist articles with no substance, which appear here and there, do not contribute to keeping the working people and members informed about the armed forces in an objective and timely manner, nor to the strengthening of their combat readiness. It is as if some people cannot understand why the YPA opposes various divisions, manifestations of disintegration, and narrow interests. Those people seek scandals, overgeneralize the basis of specifics, reprint articles from foreign journals, and assist those forces that would like to question all the values of our revolution and that dream of having the society, in both domestic and foreign policies, go in a different direction.

Of course, we feel that an appropriate critical approach is part of objective reporting on the army. We ourselves are struggling against various embellishments and attempts to gloss things over. We must, however, endeavor for objective criticism which improves things, instead of degenerating into criticism for its own sake an the worst kind of opportunism. These are some our our principles and views regarding reporting on the armed forces.

Regarding the contribution of the peace movement and our attitude toward it, I personally feel that Yugoslavia's nonaligned and peaceful policy, and its principles, including the concept of All People's Defense and social self-protection and, within that concept, the armed forces as one way to arm the people, are the best contribution to a peace movement. We must not oversimplify and compare and equate the goals of the peace movement in Yugoslavia with those of some movements in certain capitalist and bureaucratic countries. Since our country is nonaligned, all of its policies are oriented toward peace, against interference and bloc divisions, against all types of crises, etc. Within the framework of such Yugoslav policies, it is easy for each individual to contribute to the strengthening of those policies and forces that are struggling for peace. It follows that certain separate peace movements that are outside the SAWPY and LC platforms probably differ from our overall Yugoslav policy.

I also wish that the news media would report, in a reasoned and well-meaning manner, on the real and comprehensive results achieved by our defense and protection system and armed forces, and on their endeavors for peace. They discourage aggression and give security to the state. We feel that almost all the news media perform this role correctly. As you can see, there are no opposite interests or unbridgeable shores, and we must not permit the incorrect understanding of individuals and groups to obscure the fundamental policy and basic traditions and goals of the revolution. In our opinion, we must all continue to endeavor and struggle together to have what is said publicly reflect, in a truthful and honest manner, the efforts and conditions of the society as a whole and of the armed forces in a manner that would affirm the positive and defeat the negative; what is said publicly must rise to meet the requirements of the moment and be ideologically consonant with the LCY course and the policies of Comrade Tito.

Regarding an answer to the question of military service in what is popularly called civilian organization, the question demonstrates a certain basic misunderstanding. In the YPA, the soldier is trained for combat. He cannot be trained for that by serving as a firefighter or in some other organization. Combat is conducted according to certain principles, with certain means, against an estimated enemy, and in specific places; all of which has it own characteristics. If we view matters in this way, I cannot see which organizations could train a soldier for combat in one year, or where these organizations are. Such training is the reason for entry into the YPA.

We feel that an equal national representation among the senior officers in the army is an exceptionally important ideological and political question, since the YPA is the army of all the nationalities and national minorities. If the nationalities are not appropriately represented in it, it fails in a fundamental aspect. It is a well known fact that that number of young men from Slovenia applying to the military academies and schools is never large enough. I can tell you readily that the response is insufficient and that the percentage of YPA senior officers of Slovene nationality is not commensurate with percentage of Slovenes in Yugoslavia. We think that this is wrong.

The LMD command has, in cooperation with the coordination committee for encouraging the youth to enter the military and defense professions, and with other republic organs and organizations, initiated a number of specific actions to improve the situation. With these actions, we wish to acquaint the young with the profession of the military officer, and to present that profession to them as well as possible, with all its good and bad aspects. To that end, technical assemblies have been organized in all the barracks and garrisons to be visited by high school and elementary school students, and topics are being prepared to be presented during days dedicated to presenting information on defense. In addition, groups of young Slovene officers (as well as others, of course) have been organized, to visit schools and inform the students about the military profession. We have at our disposal suitable films, which are a good aid in this kind of work. We are encouraging the news media to cover topics that describe as objectively and completely as possible the various military occupational specialties and thus present the military profession to the young people and other citizens. There have also been certain television programs devoted to the scientific and research work in the army, and we fell that there have been especially effective presentations during the parade and during certain technical meeting that we had organized.

We feel that the news media, primarily those aimed at the young, and above all your journal, should contribute to the presentation of a more complete picture of the position of a military officer; not only of the position, but of everything that is necessary to induce more Slovene youths to apply to the military schools.

[Question] The young account for most of the YPA's makeup. For that reason, their organizational links are probably even more important, as is their cooperation with the area in which they are serving their military duty.

It is also known that in the past some leaders of the republic youth organization and the LMD command have held differing views on certain issues and concepts pertaining to the All People's Defense concept. We are interested in how you view current cooperation, both with ASYS republic conference and with the ASYS opstina conferences.

[Answer] I think that these misunderstandings involved some of the leaders... that this question really was not formulated in the best possible manner. Members of the LMD were not involved in a dispute with the leadership of the ASYS republic committee. We did not agree with some evaluations and positions and also with some individual leaders from the ASYS republic committee, because those evaluations and positions were at variance with the LC's programmatic orientations when they questioned the feasibility of All People's Defense concept in social communities and also certain other issues that I have already mentioned. Here I must reiterate the following: in the future, we will no longer disagree with such positions, regardless of who presents them, a youth organization or some other group. It is also known that the republic committee of the SAWPY and the central committee of the LC of Slovenia have condemned the above positions and evaluations as unacceptable or at least utopian. The fact is that relations between the LMD members and Slovene youth at all levels have been developing successfully for a number of years. This is especially true at the opstina level, at the level of high schools and elementary schools and among youth organized at the level of work organizations.

In our view, right now there are no problems that could burden these relations and render them more difficult. As far as the LMD members are concerned, in the future we will take various initiatives and give encouragement to further develop this cooperation. We feel that this is exceptionally important, since we are all working together to enhance our country's defense capability.

9110/12948
CSO: 2800/124

BRIEFS

SWEDISH RADAR SETS ORDERED--Ericsson Radio Systems AB has received an order worth 250 million kroner from Yugoslavia. Ericsson has already started to deliver the radar equipment. The firm received the order already a year and a half ago, but at that time promised Yugoslavia not to reveal anything regarding the deal. Radio Sormland [private local station] learned about it when Ericsson was testing the equipment on a Yugoslav military vehicle at the P 101 base in Strangnas. The radar sets are not classed as war materiel. They are to be used by the national police and Coast Guard. [Text] [Stockholm DAGENS NYHETER in Swedish 22 Feb 86 p 10] /12913

CSO: 3650/150

POLITICS INTERNATIONAL AFFAIRS

SLOVENES DISCUSS ALBANIA'S RELATIONS WITH BLOC, WEST

Ljubljana TELEKS in Slovene 28 Nov 85 pp 28-29

[Article by Janez Stanic: "Albania and Its Wooers: Tirana's Remains Firmly Closed to Moscow while Its Door Opens Somewhat in Other Directions"]

[Text] 29 November is the most important Albanian state holiday--it is liberation day. This year's jubilee 40th anniversary celebration was the first without Enver Hoxha who, for a full four decades, had led this country and left his own unique imprint of extraordinary ideological and political exclusivity and, when measured by our contemporary, and especially European, yardstick, truly unusual reclusion and suspicion regarding the outside world and everything foreign. It is therefore completely understandable that after Enver Hoxha's death--he died in the spring of this year--foreign countries have monitored rather carefully the internal situation and events in Albania and also its foreign policy, because everybody is strongly convinced that one should expect numerous changes in Albania's policy, even though it is not necessarily so or even likely that such changes will be quick and dramatic. Nonetheless, Hoxha's policies of total reclusion, isolation, and ideological and political extremism have encouraged internal resistance and conflicts even while he was still alive, and it is certain that these policies have led Albania into a blind alley as far as economic and social development is concerned.

The state holiday is also a formally convenient excuse for the Albanian leadership to tell the people at home and abroad something about its views and goals, including those pertaining to foreign policy, and to drop a hint, make an offer, or make its interests known in the context of appropriate commentaries or obligatory polite congratulations on the part of other statesmen. This has been going on with Albania for several years now, especially since the dispute with China in the late 1970's. Eastern Europe, headed by the Soviet Union has more than anyone else made it a mandatory practice to publish, year after year, suitable articles and editorials on the eve of 29 November, without criticizing Albanian policy at all, and only taking note of the former times of friendship and cooperation between Albania and the other members of the "socialist community"; this--it is dutifully emphasized--was useful to both sides, especially Albania. These seasonal recollections of the "golden times" are always followed by offers for a new normalization of relations.

Yearly Soviet Offers

Each year, the Soviet Union has been most persistent and consistent in these endeavors, which is completely understandable because the Soviet Union is also strategically and politically most interested in returning to the fold a lost sheep that was at one time a faithful member of the Warsaw Pact and the Council for Mutual Economic Assistance (CMEA). Ever since Albania's dispute with China, it has been completely clear that Soviet political analysts feel that Albania will not be able to indefinitely maintain its almost total reclusion and isolation and that it is a matter of time when it will be forced to begin to open up. With Hoxha's death, one of the most important preconditions for the possibility of changing Albania's policy came about, and one could be certain that the Soviet Union would attempt to take advantage of the new situation.

This came to pass. In the few months since Hoxha's death, Moscow has more than once offered Albania a normalization of relations, and in the days before the Albanian state holiday offers of this type had become more pronounced and even intrusive. For example, the prominent Soviet foreign policy weekly "Novoye Vremya," which is intended particularly for foreign countries and is therefore published in numerous foreign languages, published in 8 November a lengthy article which described in detail how the Soviet Union had always supported the Albanians' strivings for their own state and independence, how it had opposed and condemned the Italian occupation of Albania during the Second World War and how it had begun, even before the end of the war, to assist the new authorities in Albania diplomatically and politically and, soon afterward, militarily and politically. After a detailed presentation of how advantageous and useful it was, especially for Albania, to cooperate with the Soviet Union, the article suddenly ends with a laconic and very clear offer, which somehow manages to sidestep the entire period of disputes and conflicts to date: "The fruitful Albanian-Soviet cooperation, however, was interrupted at the beginning of the 60's. The Soviet Union is consistently advocating a normalization of relations with the People's Socialist Republic of Albania, which would be in the interests of the Albanian and Soviet peoples, peace, and socialism."

The next day, IZVESTIYA, a publication of the Soviet government, ran a very similar article. The apparent occasion for both articles was a certain anniversary to which the Soviets had not paid any attention earlier: namely, it was on 10 November 1945 that the Soviet Union had recognized the temporary democratic government of Albania and established diplomatic relations with it. It is evident that this year Moscow wanted to place special emphasis on its willingness to normalize relations, and wanted to do so before 29 November, which is when all the other appropriate offers will arrive to Tirana from the other European capitals.

The Soviet Union has also revived the Soviet-Albanian Friendship Society, which held a special session on the anniversary in question. News agency TASS has reported on it, and it has noted the following in its report: "During the discussion, it was emphasized that the Soviet people nurture feelings of friendship toward the Albanian people and they follow with sincere sympathy the self-sacrificing task of building socialist Albania; the conviction was voiced that the establishment of normal relations between the Soviet Union and Albania would be in the interests of peace and socialism."

It is not at all necessary to specifically point out that similar offers are coming also from other East European capitals. They are different only in that they do not advocate a normalization of relations, since Albania maintains normal diplomatic relations with the other members of the Warsaw Pact --and with some it even has comparatively well developed trade; instead, they advocated broader, more substantive, and more comprehensive cooperation. Stated briefly, the entire Soviet bloc has opened its door wide for Albania and is inviting it in, without posing ideological, political, or any other kind of conditions. This unconditional wooing indicates a great deal of interest.

And what is Tirana's Response to all this?

On 16 November, the Albanian party newspaper, ZERI I POPULIT published a long article devoted to Enver Hoxha's struggle against Soviet revisionims, and at the same time it clearly described the Albanian leadership's stance vis-a-vis the Soviet Union. Among other things, the article said the following: "Our party has always emphasized that the struggle against modern revisionism, above all against modern Soviet revisionism, is not yet over. This is a long struggle that will go on and continue without interruption for the good of Marxism and Leninism, revolution and the peoples. The Albanian Party of Labor is firmly committed to wage this struggle with undiminished consistency and to bring it to an end.

The Door Remains Closed

Regardless of the changes in the Soviet leadership, and regardless of who is in power in the Kremlin, the Soviets remain revisionists in their ideology, imperialists in their policy, enemies of Marxism-Leninism and the peoples; the Albanian party and the Albanian people will never reconcile themselves to this. Our party and state position on Soviet socio-imperialism, as well as on American imperialism, on the two superpowers which are responsible for suffering and poverty and which interfere in the affairs of other peoples and threaten the world with nuclear weapons, is crystal clear. As the First Secretary of the Central Committee of the Albanian Party of Labor, Comrade Ramiz Alija, said: "Albania did not have nor will it have any relations with the United States or with the Soviet Union. Our country was and remains resolutely opposed to their exploitative, expansionist, and aggressive policies."

The position is indeed "crystal clear" and it does not leave open even a crack for the Soviet Union (or for the United States) for any kind of rapprochement. Another (and not uninteresting) question is, to what extent is such an unappeasable position the result of joint persuasion and discussion in the Albanian leadership, and how much it is the personal work of Ramiz Alija, who for a quarter of a century has been the chief ideologue, creator, and spiritual father of Hoxha's ideological war against the Soviet

Union and other socialist countries. Ramiz Alija's personal involvement in this is exceptionally great, and it is therefore unlikely that someone else would be permitted to voice objections against the Soviet Union. While this unusual, even controversial, conduct may stop at a later date, for now, however, the "crystal clear" positions holds true: "We will have nothing to do with the Soviet Union."

The changes, as much as it is possible for one to spot them, are directed elsewhere--toward the smaller member countries of the Warsaw Pact. Albania is not so uncompromisingly hostile toward them, and it does not treat them all the same. It is quite friendly with Romania, and it has some trade with East Germany, Hungary, Czechoslovakia, and Bulgaria; recently, that trade has been increasing. Here, one could speak of the appearance of doors that are less tightly closed than was the case in previous years.

A much wider fissure toward the outside world can be noticed insofar as the West European capitalist countries are concerned, which appears to run contrary to Tirana's ideological hostility. That hostility, however, is only apparent. In reality, the Albanian leadership feels that Albania's independence is more threatened by the East, because the East is directly interested and its appetite is greater. For that reason, in resolving its main problem --economic survival--Albania on the whole turns more toward the West. Economic autarchy is Albania's credo, and it is a heavy burden. Hoxha's policy of almost total isolation has improverished the country. Furthermore, Albania has exhausted its modest industrial resources, chiefly because of its refusal to cooperate with other countries. The factories, built with Soviet and later with Chinese help, are obsolete, there is a lack of spare parts and equipment, and many have been idle for years. The way out of this blind alley is possible only through cooperation with other countries.

Always Better with Greece

The main points of such cooperation are Greece, Italy, West Germany, and Great Britain (and Yugoslavia--but more about this later). Relations with Greece are changing the fastest; for years these relations were burdened with border incidents, Greek complaints over the treatment of the Greek minority in Albania, and not least by the fact that formally the two countries are still at war. This year, the socialist government in Greece took steps to end the state of war, and at the same time there was a revival of cooperation in various areas. Since 1981, trade has been constantly increasing, and next year the two countries will conclude a new trade agreement from which they both expect a great deal. In mid-November of this year there was a meeting of the mixed committee at which tourist cooperation was discussed; in a short while, negotiations will begin regarding joint exploitation of the river Aos, Sarantaporos, and Drim, which flow along the Greek-Albanian border, Greece is also the only country to have a regular weekly air connection with Tirana.

Italy and France (especially the former) were at one time Albania's traditional partners, and continue to be that to some extent, although on a much smaller scale than before. Here, the door opened an inch. In addition to a trade agreement with Italy, an agreement was signed on joint oil prospecting in the Adriatic and on cooperation in the area of communication technology. As far as France is concerned, a trade delegation led by deputy foreign minister visited Tirana in September of this year. This was the first French state visit to Albania.

Best developed are economic relations with West Germany, even though Albania does not have diplomatic relations with that country. The stumbling block is the Albanian demand for the payment of war damages amounting to approximately three billion dollars. Periodic indirect negotiations on this have failed to produce results until recently when, in direct meetings, Albanian and West German representatives have, or at least they claim to have, found a way to a compromise. Albania is not demanding payment of war reparations in money any more, and is not quoting amounts; instead, it expects West Germany to "make it up morally" in the form of industrial equipment and technical know-how. This might be acceptable to West Germany and a possible agreement would certainly revive trade to a large extent, which right now amounts to at least 30 million dollars.

Something similar is taking place with Great Britain. In October 1946, two British destroyers ran into mines in the straits of Corfu; one sank, the other suffered major damange, and 38 British sailors lost their lives. Great Britain maintained that the mines were laid by the Albanians, it sued Albania at the International Court in the Hague, and the International Court ordered Albania to pay 2.4 million dollars in damages. Tirana, however, resolutely denied any wrongdoing, maintained that the mines had been there from the war, and refused to accept the verdict from the Hague. This led Great Britain to confiscate two and a half tons of gold that the former King Zogu had deposited in Italian state banks. From that time, Albania has been demanding the return of that gold, which became and continues to be the main obstacle to relations between the two countries. This year, Tirana announced for the first time that meetings with the British had been arranged in order to discuss this issue. This could therefore be interpreted as a sign of opening up and requesting cooperation.

There is no doubt that Albania desires this, or to put it more precisely, needs it. All these connections are still modest, limited to short term changes, which must be negotiated every year with each partner separately (for instance, the Albanian constitution prohibits taking out foreign credits), and is based on those capabilities in raw materials and production that Albania already has available. This is primarily chrome (Albania is the second largest exporter of chrome, after South Africa), copper, gasoline, pyrites, nickel, tobacco, and food.

Tangled Relations with Yugoslavia

It is certainly of special interest to us how much this apparent and restrained opening up affects Yugoslavia. Our relations are certainly exceptionally complicated since, on the one hand, both states are interested in each other's independence and autonomy because this is directly tied to their international position and security and, on the other, their necessary coexistence is burdened with every intense historical, ideological, nationalistic, and other difficulties. These difficulties are so intense that, viewed soberly, it is not possible to expect any quick or spectacular reverses.

In the last few days, weeks, and months, however, we have noted certain events that indicate certain shifts. For example, a Yugoslav trade delegation, led by Federal Secretary for Foreign Trade Milenko Bojanic, visited Tirana in mid-November. On 16 November, a trade agreement was signed for the 1986-1990 period, as well as a protocol on trade in goods and the method of payment for 1986.

According to that agreement, the two countries will during the next five-year period exchange trade valued at 680 million dollars, which is 20 percent higher than in the previous period. Yugoslavia will (as before) export to Albania machinery, equipment, chemical products, non-ferrous metals, and certain consumer goods. It will import from Albania chrome, electricity, chemical products, tropical fruits, food, and tobacco. The value of this year's trade will amount to approximately 100 million dollars, and it will be 25 percent higher than in the previous year.

As far as Albania is concerned, the railroad line from Tirana, through Scutari to the Yugoslav border, will be of exceptional significance. This line is almost finished on both sides and it will soon begin to operate. With this line, Albania, which until now had only one line from Durazzo on the Adriatic to Tirana, will be included in the European railroad network. This will be through Yugoslavia, which is Albania's natural geographic route to Europe. Because of the existing political relations, however, this "normal situation" is something exceptional.

An exceptional circumstance, that has been viewed abroad as something worthy of a sensation, is also worth mentioning: recently, two Albanians from Kosovo fled to Albania. Moreover, they fled from prison, where they were serving lengthy sentences because they had set bombs in Pristina. The Albanian authorities caught the escapees and returned them to Yugoslavia. While we could say that Tirana has no intention of becoming a haven for its terroristically minded compatriots from Kosovo, and that is has therefore acted in accordance with its own interests, one should still note that it would have been easy to get rid of the unwanted quests in another way, and that for that reason their extradition to Yugoslavia should be taken as an act of good will. Lastly, we should note a minor thing that certainly fits into this pattern, namely that, after a long time, a Yugoslav journalist, a correspondent of the Belgrade NIN, was allowed to visit Albania and write about it.

Consequently, something is undoubtedly shifting in this regard. It would seem, however, that it is too early to tell what it is.

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REPORT ON PROCEEDINGS OF ANTONOV TRIAL

Prosecutor's Summation

AU202131 Sofia BTA in English 1900 GMT 20 Feb 86

[Text] Rome, February 20 (BTA special correspondent Nencho Khranov and BTA correspondent Khristo Petrov)--Prosecutor Antonio Marini's summation before the Rome Court of Assizes, which is examining the case of the papal shooting, entered into its seventh day today. Every following court session is increasing the audience's awareness of the fact that the prosecutor has not set before himself the task to analyze the facts that have been brought to light and prove during the court proceesings, but rather that he has seen it fit to deliver a political propaganda esssay inspired by anticommunism. Mr Antonio Marini is no mere follower of investigating Magistyrate Ilario Martella's line but is also adding to it his own contributin to the strengthening of the "Bulgarian connection."

The cornerstone of this trial is everything said by Agca and confirmed by the objective elements of this trial. This is what I have to say," roared Rome's deputy prosecutor general. However, during the last seven months all present in Foro Italico have witnessed the complete moral and juridicial defeat of the slanderer Mehmet Ali Agca and his coaches.

Mr Marini has his trump which he produces at every session while reading his summation: Valcin Ozbey's testimony. The prosecutor used it again as his heavy artillery today. Why? "Ozbey has been the only voice, basides Agca, to speak about the Bulgarian secret services' involvement," said the prosecutor. He is right, but only Ozbey himself changed his testimony several times while giving it and finally admitted to having lied. He was compelled to repeat everything said by the witness Catli in respect to the 500,000 dollars reward offered them in exchange for their backing Agca's lies.

The prosecutor totally neglected this and even quoted quite arbitrarily from the perjurer Ozbey's coached statements. This witness has never spoken of concrete facts or persons, of personal impressions, but has rather referred to stories told to him after the attack by third parties. These stories were refuted before the court by Kadem and Catli (Celik's close friend), who called the "Bulgarian connection" a fabrication.

The only thing that Mr Marini squeezed out from Ozbey was a general statement that the Bulgarian secret services had shown an interest in the assassination but later on lost this interest and deserted Agca and his pals. Mr Marini did not specify when this interest had been lost. Thus even at this point Ozbey could be of no use to the prosecutor.

He was reduced then to listing hints, conjectures or references to witnesses who have not been questioned in court or who are directly linked with the U.S. Central Intelligence Agency.

The prosecutor's picture was all too elementary. The "Grey Wolves" needed money, and they were promised that money by the Turkish Mafia through Celenk, who in turn allegedly put them in touch with the Bulgarians. The counsel for the prosecution cited an argument between Agca, Celik and Catli in Turkey about the target of attack: Whether the head of the Catholic Church or the patriarch of the Armenian Church, the decision to kill the Pope prevailed--because it was in the interest of the Eastern countries, to undermine Poland's Solidarity." But when did it happen? In 1979. It was then that the Mafia allegedly helped Agca escape from the jail in order to recruit him for the assassination plot. But, as is known, there was no Polish crisis in 1979, and Solidarity was still nonexistent. [sentence as received] This question, however, was not at all addressed.

All arguments of the prosecutor concerning the "Bulgarian connection" boil down to a single complaint: that it is a cripled trial because the prosecutor has requested the questioning of a number of other witnesses and the carrying out of a number of procedures other than the ones conducted, but his requests have been rejected.

Marini made one quite significant admission: "While in the other direction (meaning the 'Grey Wolves' track) there are so many facts that Celik's guilt is undeniable, in this direction (i.e. the Bulgarian connection) we are left only with the voice of Agca."

In order to prove the prosecution case, Prosecutor Marini took recourse to many words and few arguments, to constant repetitions which were intended to supersede the analysis and the rationale and to thrust his conclusions on the courtroom. It is precisely because of his verbosity that the prosecutor asked for a second extension of the time limit set to his summation. He did not only fail to keep his promise to wind up in four or five hearings, but even requested that the second deadline be moved. He was due to be through by this week's end, and now demanded two more hearings to complete his final arguments: on next Tuesday and Thursday [25 and 27 February]. This will automatically delay the completion of the trial.

The next hearing will be held on Saturday [22 February].

Summation Continues

AU252150 Sofia BTA in English 2052 GMT 25 Feb 86

[Text] Rome, 25 February BTA Correspondent)--The nearer the prosecutor comes to the end of his summation, the more obviously he demonstrates that his mission at this trial is to defend the slander encoded as the "Bulgarian Connection," to create around Agca the halo of credibility, to conceal and manipulate with the hundreds of facts and testimonial evidences which expose the slander and its authors. [sentence as received].

"Antonov's alibi for 13 May 1985 does not stand and has not been confirmed by the documents in the trial," stated the counsel for the prosecution. According to him, Anotnov and the other witnesses (Bulgarians and Italians) have made changes in the temtimonies they had given to the investigating magistrate. They had said in the beginning that Rositsa Antonova had been in Rome at the time but had then recollected that she had left for Bulgaria five days earlier than the said date. Here the reference was about the fact that in the afternoon of 13 May 1981 Antonov had not left the Balkanair office but the testimonies to this effect had never been modified by anyone. There are witnesses, like the Italian Pietro Parisi for example, who has never spoken about Rositsa Antonova's presence in Rome, thus exposing Agca's slander. If someone has in fact changed his testimony in respect to the said afternoon, that person was Agca himself. The assailant had claimed that Antonov had been with him in St. Peter's Square until 5 pm but after learning about the witnesses' testimony he moved the timing forward by one hour.

A second mystification presented by the prosecutor: "Antonov's presence in the Balkanair office is not confirmed by Antonia Popkrustevas ' phone call since she could not have seen 'Scenes' from the shooting on television as these had been transmitted at about 7 pm," claimed Marini as Magistrate Martella had done earlier. Antonia Popkrusteva is the elderly mother of one of Balkanair's women employees who had seen the T.V. broadcasts and had immediately phoned the Balkanair office, accidentally getting in touch with Antonov. This had happened immediately after the assassination attempt at a time when according to Agca the Bulgarian employee had been waiting for him in a car close to the site of the shooting. Very much like Martella, Marini now claimed that television had still not broadcast "scenes" from the shooting at that time. However, "LA STAMPA" of 14 May 1981 carries a report from an Italian TV studio which reads: "A few minutes after the attack, RAI transmitted an extraordinary TV news bulletin simultaneously on the first and second channels. This was a very quick reaction which has almost no precedents."

A third mystification by the prosecutor: "Antonov is even now in good health but he refused to stand the interrogations, and besides, his predecessor to the post has been expulsed [as received] from Italy," stated the prosecutor. In this case he surpassed himseif in his characteristic twisting of facts. There are the most authorative conclusions of highly qualified professors of medicine, who had examined the Bulgarian upon the request both of the defense and judicial authorities, but the prosecutor never bothered to discuss them. Instead he repeated the lie about Anotnov's predecessor, expulsed from Italy. [quotation mark as received] The said person is called Pencho Rusev and has never been expulsed by the Italian authorities, which could easily be checked.

Fourth prosecutor's mystification: "the trip of Rositsa Antonova has not been corraborated and that means that it does not exist," continued the prosecutor. There are witnesses and documentary evidence and confirmations for the trip and they are not only from the Bulgarian side. Rositsa Antonova had left Rome on 8 May 1981, and together with the family of Donka and Kosta Krustevi, in their car, she had passed through Italy and Yugoslavia to reach Sofia on 10 May--Exactly on this date Agca had alleged that he had seen her in the apartment of Antonov in Rome. Apart from the evidence of a number of witnesses, this fact was corrobroated also by the documents reflecting Rositsa Antonova's spending of the night in the "Motel Tourist" in Yugoslavia.

Fifth prosecutor's mystification: "Antonov had said that he had been in Milano during October or November 1981, but he could have been there during the same time in 1980, when Ali Agca and Harun Celik (the name of Oral Celik in his false passport--Corr.'s note) had stayed in that town," assumed the prosecturo. Proofs? None. But after Agca had shifted Antonov's "presence" in St. Peter's Square with one hour, why should the prosecutor bother for one year?

Sixth prosecutor's mystification: "Agca had not been masterminded because he had identified the three Bulgarians on the photographs. These photographs had been numbered and distributed in an album, but the investigating magistrate had the right to do this and it is only in police departments where the arrested are shown a heap of unarranged photographs," shouted Marini. And this was said by a magistrate who boasts with his great experience! There is nothing more proper for him than the showing of an album to a criminal, with photographs of Bulgarian citizens only, numbered from 1 to 56, and then saying to this criminal: "Well, now you should identify who are those Bulgarians on photographs No. 1, 2 and 20." And Agac "identifies" them. Unfortunately he had said that Zhelyo Vasilev was rather taller than Todor Ayvozov. Just the opposite is true, and the difference in their height is 20 centimeters, but it does not appear on the passport pictures, which have been shown to Agca. Naturally Marini does not fuss over this "trifle."

Seventh prosecutor's mystification: "The plan for attempt on the life of Lech Wasesa, described in detail by Agca, concerns this trial as well, because he had come to Italy as early as November 1980, while the assassination attempt against the Pope had taken place as late as next year's spring," said Marini effusively. Marini got beyond Martella with this. Because the investigating magistrate had also started on this "track", but after Agca's confessions that that had been a lie, he had found himself forced to charge him with slander. Then Martella remembered that he could not bring the innocent Bulgarians to trial on the basis of evidence of a "witness" charged by him for slandering. That is why he had closed down the whole "Walesa part" and removed the charges against Agca. Now Marini sets it forth once again. Because he wants to connect in some way Zhelyo Vasilev to this trial--the last of the slandered Bulgarians, whose name he mentioned as late as today.

Such was the construction of one absurd and contradictory to elementary logic accusatory thesis, [sentence as received] which had only one motive and only one aim: to continue the vilification of Bulgaria and her citizens, to free the anti-communist propaganda.

The trial will continue tomorrow.

Further on Summation

AU262210 Sofia BTA in English 2127 GMT 27 Feb 86

[Text] Rome, 26 February (BTA Corr.)--Prosecutor Antonio Marini divided his summation today into two parts: A noisy anti-Bulgarian lecture in the morning and a session of empty words in the evening. In the latter part he almost confessed that he lacked proofs in support of his unbelievable case.

He opened the morning session with the allegation that Todor Ayvazov's alibi was invalid. His "argument" was again that this alibi had been supported by Bulgarians only. According to this magistrate all Bulgarians lack credibility. His pseudojuridicial rhethorics quite naturally entered him in ridiculous contradictions.

"Why did Ayvazov state that the customs clearance of the Bulgarian transport international lorry had been an urgent matter? What an unusual operation this had been?" asked Marini insolently.

The answers to his questions are to be found in the very documents he is so fond of busying his hands with. The answer is that the truck had been carrying alcoholic drinks for a reception given by the Bulgarian Embassy and its route and stay in Italy had been strictly scheduled according to the Italian laws.

In this connection the counsel for the prosecution maliciously went out of his way to remind the court of investigating Magistrate Ilario Martella's idea, broadly discussed in his indictment, according to which Bulgaria and her official representatives were the organizers of international terrorism. Speculating with dates, he attempted to link Ayvazov's alibi with certain activities of other Bulgarians who had allegedly tried at that time to establish contacts with terrorists of the Red Brigades in order to obtain "secret information" from the American general James Dozier, who had been kidnapped by the terrorists. However, this operation had nothing to do with any Bulgarians. What is more Ayuvozov's alibi concerns the period between 10 May and 13 May 1981 while the general was kidnapped on 17 December 1981.

Prosecutor Marini was honest only once: He admitted that he had again included in this trial the "Walesa" episode in order to involve Zhelyo Vasilev. After the court executed its rogatory commission in Sofia last December where it interrogated Vasilev, the prosecutor has obviously understood that this Bulgarian had an alibi corroborated by circumstances, fully documented by the Italian authorities. Thus he had probably seen that "the Bulgarians cannot be credited" formula would not do in Vasilev's case. Thus he decided to resort to the "plan for the assassination of Lech Walesa" shelved earlier, in order to use Agca's few available slanders against Vasilev.

Marine was also very dillegent in seeking other sources of insinuations against Bulgaria. He even referred to Italian ex-Defense Minister Lagorio who appeared before parliament on 20 December 1982 to state that "the attempt on the Pope's life is a peacetime act of war" and that "as early as 8 September 1982 the Sofia papers had tried to discredit Agca and to react before he had made his revelation." He reached, however, one very long-standing question which he (very much like the investigating magistrate) tried to avoid: Why if the Bulgarians had known about Agca's revelations did they let his "accomplice" Antonov continue working in Rome as though waiting impatiently to be [word indistinct].

These days, all those present in foro Italicum were compelled to listen to political propaganda which often used methods reminiscent of the cold war years. Tonight, Mr Marini mentioned that he could ask for a resumption of the court's investigation. If he really does so he will virtually be admitting publicly that he (?has) no proof against the three innocent Bulgarians.

Prosecutor's 'Strange' Conclusions

AU222126 Sofia BTA in English 2056 GMT 22 Feb 86

[Text] Rome, 22 February (BTA corr.)--At today's session the prosecutor Marini set himself to prove three things: that Sergey Antonov had belonged to the Bulgarian secret service, that Antonov and the criminal Agca has spoken English enough to understand each other, and that the evidence of the witnesses and the documentary proofs about the absence of Rositsa Antonova from Italy in the period after 8 May 1981 had been unstrustworthy.

First of all the prosecutor declared that he had reveiwed all elements piled up in the course of the investigation and the judicial inquiry in order to estimate the situation and individual responsibility of each of the defendants. Right away after that he refuted himself.

"Agca had said that Antonov belonged to the Bulgarian secret services. Ozbey did not say such a thing concretely about Antonov, but in general he said that the Bulgarian secret services had shown interest. Antonov had come to Rome to replace another employee of Balkan who had been expelled from Italy, and he had even moved into his apartment on "Pola" Street. That means that Antonov belongs to the Bulgarian secret services," such was the absurd conclusion of Marini. Once again he based his arguments on the perjurers Ali Agca and Yalcin Ozbey, who had been his only source of "objective corroboration" during these days. Not a word was spoken, however, by Marini about the mission carried out by Ozbey commissioned to him by the Western secret services: For half a million U.S. dollars he had to provide perjurers from the organization of the "Gray Wolves" in support of the slanderer Agca, and that has been recorded in this trial.

What is more, in an offhand manner Marini misrepresented one fact. Sergey Antonov has replaced in Rome the former deputy representative of "Balkan"--Pencho Rusev, whose mandate has been completed and who had never been expelled from Italy. This fact is well known to the Italian authorities. It is impossible that the prosecutor should not know it as well. It was he who asked the witness Silva Petrova Popkrusteva on 17 October, last year, this very question and the employee with many years of service in the office of "Balkan" in Rome answered him most precisely, giving names and dates.

In connection with the second of his conclusions, that Sergey Antonov and Ali Agca "spoke English enough to understand each other," Marini based his argument on the inventions of two ex-Bulgarian citizens--Magdalena Veleva and Velichko Peychev, a paid disinformer in the subversive radio station "Free Europe" which is financed by the CIA. They had said before the investigating magistrate Illario Martela that Antonov had to speak English in order to work in the Bulgarian airlines "Balkan." But the regulations for application for work in the Bulgarian airline "Balkan," enclosed to the records of the trial, translated into Italian and presented by the Bulgarian investigating authorities, very clearly read that the candidates for employment in the Bulgarian airlines should be able to speak one Western language and Antonov had passed an exam in French. That is obvious from the evidence of all employees of the representations of "Balkan" and "Balkantours" in Rome, from the evidence of the insurance agent Antonio Kolaboleta, of Pietro Parisi, of the administrative director of the Turkish airlines in Italy Mat Mohamed Sabit, of the deputy representative in the same company Sabato Matrone, of the advertising agent Roberto Pankari, of the employee at the Roman airport Carlo Patrizi, all of them had known Antonov for years and all of them categorically had declared that he could not speak English. On the other hand the proprietor of the boarding house Isa Maorizio Paganeli, had confirmed before the court that Ali Agca had known only a few English words and he had used gestures when he had to ask for the key to his room.

No less biased were the efforts of the counsel for the prosecution to declare untrustworthy the evidence of Antonov and a number of other witnesses, as well as the documentary evidence, that Rositsa Antonova had left Italy on 8 May 1981, and that it had been impossible for her to be present at the famous "meeting" in the house of Antonov on 10 May, the same year, which had been described by the slanderer Agca. The fact that Antonov had not remembered at once that his wife had not been in Rome at that time, was just the result of the monstrous charges and psychological pressure exercised over him during the first interrogations. But according to the "logic" of Marini, memories had to be clear and exact even after a year and a half had passed from the events.

There is also another strange conclusion drawn by the prosecutor: "Is it normal for a Bulgarian citizen to be interested so much in the assassination attempt against the Pope, to listen to the radio and to call the central which reports the latest news?"

Being unable to deny the evidence of the family of Kosta and Donka Krustevi, who, together with Rositsa Antonova, had travelled by car from Rome to Sofia on 8 May and 9 May 1981 the counsel for the prosecution said that there had been some corrections in the bill for their spending of the night at the "tourist" motel in Yugoslavia. There are some corrections because the administration of the motel have made some mistake turning the prices in Italian lires with which they have paid their stay. But Marini did not say anything about the register of the motel, where the names of Krustevi and Rositsa Antonova had been written clearly together with the numbers of their passports and even the hours of their arrival and departure.

The records of the trial also contain one other document presented by Sergey Antonov's counsel for the defense. It is a verbal note from the Bulgarian Embassy in Rome to the Ministry of Foreign Affairs of Italy, dated 7 May 1981. It requests an extension of the term of their stay and the issuing of visas. The prosecutor tried to maintain with the help of this note that Rositsa Antonova had not been able to leave because she had had to deposit her passport with the Italian ministry.

Agca's prompters had thought the same, because it had been on the basis of the date written in the note--7 May 1981, that they had made him cite his story about the "meeting" in the house of Antonov, attended by Rositsa Antonova as well. But the truth lies in the fact that because of the sudden departure of Rositsa, the note had been lodged with the embassy [as received] of foreign affairs as late as 27 May 1981. That fact had been reported to the investigating magistrate Ilario Martela and immediately after that it had become known also to Agca, who had called the investigating magistrate right away, and out of fear not to be unmasked he had declared that he had never visited the house of Antonov. But how had he been able to describe in detail the apartment he had never visited? That is another question to which the prosecutor Marini probably will not answer at the next session as well.

The trial will continue on Tuesday [25 February]. The presiding judge Severino Santiapichi has fixed a time for the prosecutor to finish his speech on Thursday, 27 February.

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CSO: 2200/80

COMMENTS ON 27TH CPSU CONGRESS

AU241748 Sofia BTA in English 1644 GMT 24 Feb 86

["Congress of Peace and Creativity"--BTA headline]

[Text] Moscow, 24 February (BTA Special Correspondent Nencho Khranov)--The Soviet Union is now in the eve of a historical event: The 27th Congress of the CPSU is to open tomorrow. This is a historical event since the Congress will discuss and approve the party's new strategy for improving the rates of the country's socio-economic development, for the reaching of a qualitatively new stage in the development of the Soviet society. The revolutionary nature and the wide scope of the tasks, set by the Leninist party, are of historical international importance. No doubt the Congress will give a new impetus to the Soviet Union, to the socialist community and to all peaceloving people the world over in their struggle to attain mankind's noble aim: the entry into the third millennium under peaceful skies and space.

The Congress will examine the drafts for a new edition of the CPSU program and for the main trends in the USSR's socio-economic development during the twelfth five-year period and for the period till the year 2000, as well as the changes in the CPSU Charter.

These documents were offered for an all-party and nation-wide discussion. This has demonstrated the strength of the Soviet society and the unbreakable unity between the party and the people. The discussion showed the full approval for the course aimed at accelerating the rates of the socio-economic development, at the further improvement of the forms and methods of party leadership, of the overall economic and party work. The nation's participation in the preparatory work for the Congress is a convincing demonstration of the Soviet people's determination to do everything possible for the fulfillment of the great tasks set by the party.

The CPSU's economic strategy corresponds to the requirement to accelerate development and to improve living standards, to consolidate the potential of the national economy, to keep the country's defence potential at the necessary level. An important instrument for the intensification of the economy will be techno-scientific progress. The Soviet Union's national income and economic output will double by the year 2000 and the country will create an economic potential equal in scope to what has been done during the nearly 70 years since the October revolution.

The preparatory work for the [word indistinct] Congress of the CPSU coincided with the elaboration of a new program for a complete elimination of all nuclear weapons and for the prevention of the militarization of space. These extremely important peace initiatives, included in Mr Mikhail Gorbachev's declaration of 15 January 1986, were met with the world progressive public's approval and raise hopes world-wide. And as an article in today's PRAVDA states, this program has further strengthened the international significance of the forthcoming forum of Soviet communists.

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BULGARIAN BALKAN COMMITTEE ACTIVITIES REVIEWED

AU180906 Sofia RABOTNICHESKO DELO in Bulgarian 13 Feb 86 p 6

[BTA report: "Sincere Striving for Good Neighborly Relations"]

[Text] The Committee for Balkan Understanding and Cooperation devoted great efforts in 1985 in connection with intensifying its cooperation with representatives of the public, as well as with affiliated organizations from other Balkan countries and in explaining the urgent necessity of joint struggle of the consolidation and development of mutual understanding and good neighborliness. Thus, the committee contributes to the peace-loving foreign policy of the People's Republic of Bulgaria aimed at reaching the hearts and minds of ever-expanding strata of the population in various Balkan countries.

At meetings and talks with public figures and cultural leaders from the neighbor countries, the committee tried to establish a dialogue on the urgent problems of the Balkans and to find adequate forms for the propagation and consolidation of the proposal for signing bilateral agreements containing a good neighborliness code and renunciation of territorial claims that should be instilled in the consciouseness of the Balkan public. Particular attention was devoted to the noble idea of transforming our area into a nuclear-free zone. The appeal launched by the Comrades Todor Zhivkov and Nicolae Ceausescu at the end of the year 1985 to the state and government leaders of the Balkan countries for the transformation on the Balkans into a chemical-free zone gave a new impetus to the joint struggle of the Balkan peoples for a total ban on the most destructive modern weapons in the entire area.

Through varied information and propaganda activities, the public in our country, as well as in the other Balkan states, was acquainted with the specific steps taken by the People's Republic of Bulgaria in consolidating mutual trust and cooperation among all countries of this area.

These activities were discussed at yesterday's meeting of the Bulgarian Committee for Balkan Understanding and Cooperation. Boris Velchev, chairman of the committee, read a report on the committee's work in 1985.

Dimitur Stanishev, secretary of the BCP Central Committee spoke on the stabilizing role of our country's Balkan policy as a natural expression of its comprehensive, consistent, and constructive policy to the advantage of peace, understanding and mutual confidence among the peoples. He stressed the positive role played by the committee in propagating this policy and in making the other Balkan states familiar with the Bulgarian's achievements in public life.

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BULGARIAN BORDER GUARDS MEETING HELD IN SOFIA

AU152200 Sofia RABOTNICHESKO DELO in Bulgarian 13 Feb 86 p 6

[Dragomir Penchovski article: "Reliable Shield of the Motherland"]

[Text] The 20th conference of the nationwide border guards' BCP organization took place yesterday at the Sofia Hall of the Central Committee of Fighters Against Fascism and Capitalism. Dimitur Stoyanov, candidate member of the Politburo and Minister of the Interior, participated in the work for the conference.

The report and the speakers' statements stressed that the entire activities of commanders, political organs, and party organizations during the period under review was aimed at the implementation of the tasks stemming from the decisions of the [words indistinct], from the decisions of the National BCP Conference on quality, and from the BCP Central Committee plenums. Expressing themselves still dissatisfied with their achievements, the delegates to the conference, in a critical and self-critical spirit, sought the reasons of the shortcomings that were allowed to occur in party-political work and mapped out measures for the improvement of their comprehensive activities in protecting the borders. The decisions of the February 1985 and the January 1986 BCP Plenums are assigned new tasks to the soldiers of the Border Guard Troops, as well. These decisions are of great importance in mobilizing work and raising the quality of the border guards activities in protecting the native borders to a higher level, as well as in improving their political activities.

In his speech, Comrade Dimitur Stoyanov mapped out the chief trends in the activities of commanders and political workers, as well as of all communists. The complicated international situation, created by the imperialist forces, demands that the soldiers with the green shoulder straps manifest great combat readiness, vigilance, and discipline in order to guarantee a calm and peaceful labor to the population in our country, the minister stated.

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POLITICS BULGARIA

ZHIVKOV FOUNDATION BRANCH FORMED IN LONDON

AU141700 Sofia RABOTNICHESKO DELO in Bulgarian 13 Feb 86 p 5

[RABOTNICHESKO DELO correspondent Petur Bochukov report, datelined London, 12 February: "Continuation of a Noble Cause"]

[Summary] A British branch of the "Lyudmila Zhivkova" Foundation was established in London on 12 February, under the name of the "Lyudmila Zhivkova International Foundation (England and Wales)." Its formation was announced officially at a meeting of the Administrative Council of the fund, chaired by Robert Maxwell, chairman of Pergamon Press Publishers, and attended by Vladimir Zhivkov, deputy chairman of the Bulgarian Committee for Culture. Other participants in the meeting were the former labor minister John Silkin, George Robertson, Liberal Party spokesman on foreigh affairs, Bulgarian Ambassador Kiril Shterev, and Ivan Nedev, chief secretary of the foundation.

The meeting elected Robert Maxwell, "who is founder member of the 'Lyudmila Zhivkova' foundation and member of the its Bureau and Council," as chairman of the London branch. The branch leadership includes John Silkin, Ron Todd--president of the Transport and General Workers Union, and members of Parliament Michael Cox and George Robertson. There was a discussion of the branch's future activity, "which will include the granting of scholarships to young people to specialize in Great Britain in various fields of arts and science, mutual exchanges of collections between the foundation's art gallery and British galleries, etc."

The meeting was followed by a reception given by Robert Maxwell in the Howard Hotel, which was attended by "prominent representatives of British cultural, political, and business circles, leaders of diplomatic missions accredited in London, including the Soviet Ambassador Viktor Popov, and many journalists." Vladimir Zhivkov made a speech at the reception. In the evening Robert Maxwell gave a dinner in honor of Vladimir Zhivkov, attended by "members of the Administrative Council of the British branch of the foundation and representatives of British political, scientific, and cultural circles."

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LEADERS ATTEND OKRUG BCP CONFERENCES

Dzhurov in Veliko Turnovo

AU180837 Sofia RABOTNICHESKO DELO in Bulgarian 14 Feb 86 p 8

[Unattributed report: "In a Busin Slike, Critical and Self-critical Amnner"]

[Text] Veliko Turnovo, 13 February, RABOTNICHESKO DELO report. Today the fourth accountability-election conference of the Veliko Turnovo BCP City Organization took place. It was attended by Army General Dobri Dzhurov, member of the BCP Central Committee Politburo and minister of national defense, and Nikola Tsonev, first secretary of the Veliko Turnovo Okrug BCP Committee.

The report and subsequent debates analyzed in detail the results of the comprehensive socioeconomic development of the city. The undoubted successes in intensifying the economy and in the multifaced activity in turning Veliko Turnovo into a historical, cultural, and tourist center were stressed with justification. The weaknesses and shortcomings which have been allowed were reviewed in a critical and self-critical manner.

Comrade Dobri Dzhurov stressed that the Veliko Turnovo party organization is working diligently to put into effect the party order on quickly introducing the achievements of the scientific-technological progress. He also dwelled on some unsolved issues and stressed the necessity of constantly perfecting the organizational and political work of the party committees and primary organizations and all communists in accordance with the high requirements of the decisions of the BCP Central Committee February 1985 and January 1986 plenums.

Stanishev in Khaskovo

AU222012 Sofia Domestic Service in Bulgarian 1000 GMT 22 Feb 86

[Text] The 21st Okrug BCP conference in Khaskovo is continuing its work. Comrade Dimitur Stanishev is taking part in the conference. The reports and speeches of the delegates, as well as dealing with the successes achieved, devoted considerable space to the unresolved problems of the Okrug's economy. Radi Stanchev, the delegate from the (?Marvas) economic mining and energey combine and twice a hero of socialist labor, pointed out that the decision for the renewal of the material-technical base of the combine is not being properly carried out. Shishko Shishkov, the delegate from Dimitrovgrad, pointed out that the investment and reconstruction process does not conform to the modern requirements. As an example, he pointed out that 24 different organizations are taking part in reconstruction and modernization in their work, the rates of progress are being held up. The conference is continuing its work. [Sofia Domestic Service in Bulgarian at 1830 GMT on 22 February, in reporting on the same conference, adds: "At the plenum held after the conference, Stoyan Peykov was reelected first secretary of the Khaskovo Okrug BCP Committee."]

Stoichkov in Stara Zagora

AU221709 Sofia Domestic Service in Bulgarian 1830 GMT 21 Feb 86

[Text] Stara Zagora--In the presence of Comrade Grigor Stoichkov the 24th accountability-election conference of the Stara Zagora Okrug BCP Organization was held here today.

The report and the statements of the delegates made a thorough analysis of the successes achieved and of the existing problems. Comrade Grigor Stoichkov delivered a speech at the conference. He conveyed most sincere greetings to the delegates and guests on behalf of the BCP Central Committee and on behalf of Comrade Todor Zhivkov personally. Comrade Grigor Stoichkov dwelled on the most important tasks facing the communists and working people of the Okrug by drawing special attention to the questions of the further development of the Okrug economy on the basis of the accelerated introduction of the achievements of scientific-technical progress.

The plenum that followed the party conference reelected Mincho Yovchev as first secretary of the Stara Zagora Okrug BCP Committee.

Filipov in Plovdiv

AU221936 Sofia Domestic Service in Bulgarian 1000 GMT 22 Feb 86

[Text] In Plovdiv the 25th accountability-election conference of the Okrug BCP Organization is being held. Comrade Grisha Filipov is taking part in the work of the conference. Being emphasized in the reports and the speeches made by the Okrug and regional programs for the development of certain new fields of science and technology. The delegates discussed with particular acuity certain serious weaknesses connected with the incomplete utilization of the slow mastering of new technologies were subjected to serious criticism and in-depth analysis. [Sofia Domestic Service in Bulgarian at 1830 GMT on 22 February, in reporting on the same conference, adds the following: "At the plenum following the conference, Ivan Panev was reelected first secretary of the Plovdiv Okrug BCP Committee].

Dyulgerov in Kyustendil

AU272027 Sofia Domestic Service in Bulgarian 1830 GMT 27 Feb 86

[Text] With the participation of Comrade Petur Dyulgerov, the accountability-election conference of the Kyustendil Okrug BCP organization was held today. Dwelling on certain of the aspects achieved, the delegates directed their attention toward the unsolved problems connected with the fuller utilization of the cadre and production potential of the Okrug's economy, the technological reequipment of industry, and the mastering of new types of production. At the plenum held after the conference, Yordan Tsanev, hitherto an inspector of the BCP Central Committee, was elected as first secretary of Kyustendil Okrug BCP Committee.

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LOCAL ACCOUNTABILITY-ELECTION CONFERENCE HELD

[Editorial Report] Sofia'RABOTNICHESKO DELO in Bulgarian on 7 and 8 February carries reports from local correspondents on accountability-election conferences of provincial and Sofia district party organizations, attended by Politburo members, candidate members, Central Committee secretaries, and other leading officials.

Sofia RABOTNICHESKO DELO on 7 February carries on page 2, an approximately 400-word report from Silistra Municipal Party Organization attended by Yordan Yotov, Politburo member of the BCP Central Committee and editor in chief of RABOTNICHESKO DELO, as well as by Georgi Kardashev, first secretary of the Silistra Okrug BCP Central Committee. Yotov spoke on the five tasks assigned by the February 1985 and January 1986 BCP Central Committee plenums, which require revolutionary changes at the base and in the superstructure, as well as the expansion of the creative efforts and opportunities of the working collectives for an even more offensive and more consistent struggle against negative phenomena in our life."

Antonia Mechkova, in a 400-word report on the same page of the daily, describes the 30th Accountability-Election Conference of the Sofia "Blagevoc" Rayon Party Organization, attended by Milko Balev, Politburo member of the BCP Central Committee and by Georgi Georgiev, first secretary of the Sofia City BCP Committee. Milko Balev pointed out the exceptionally great responsibility of the party organizations for creating an economic, political, and ideological atmosphere within the workers collectives of the rayon, that should conform to the requirements of the 1985 February and 1986 January plenums of the BCP Central Committee."

Nikola Kidikov, in a 400-word report from Kurdzhali, describes the Accountability-Election Conference of the Kurdzhali Municipal Party Organization, attended by Ognayan Doynov, Politburo member of the BCP Central Committee, and by Georgi Tanev, first secretary of the Kurdzhali Okrug BCP Committee. Doynov praised the achievements of the working people in the area and stressed the "necessity of reorganization in the work of party organs and organizations, of leading cadres ansd rank and file communists."

Ninko Gruev, in a 400-word dispatch, reports on the Fourth Accountability-Election Conference of the Vidim Municipal Party Organization, attended by Georgi Atanasov, secretary of the BCP Central Committee and candidate member of the Politburo, as well as by Geno Toshkov, first secretary of the Vidin

Okrug BCP Committee. Atanosov points out the necessity of "introducing new technological methods" and the need "to improve the standard of scientific services to the population."

A 400-word report by Petko Petkov from Sliven describes the Fourth Accountability-Election Conference of the Sliven Municipal BCP Organization, attended by Andrey Lukanov, candidate member of the BCP Central Committee and deputy chairman of the Council of Ministers, and by Velichko Petrov, first secretary of the Sliven Okrug BCP Committee. Andrey Lukanov is reported as stressing the future tasks of the local party organization and the necessity of "new approach" to scientific-technical problems.

Plamen Dzhantov, in a 400-word report from Razgrad, describes the Fourth Accountability-Election Cohference of the Razgrad Municipal BCP organization, attended by Georgi Dzhagarov, deputy chairman of the State Council, and by Anastasiy Donchev, first secretary of the Razgrad Okrug BCP Committee. Dzhagarov is reported to dwell on the "necessity of reorganizing ideological work" in the area, according "to the new criteria facing the local party organization.

Sofia RABOTNICHESKO DELO on 8 February carries on page 6 a 350-word report by Asparukh Georgiev from Kyustendil on the Fourth Accountability-Election Conference of the Kyustendil Municipal BCP Organization, attended by Grigor Stoichkov, candidate member of the BCP Central Committee Politburo and deputy chairman of the Council of Ministers, and by Georgi Grigorov, first secretary of the Kyustendil Okrug BCP Organization. Stoichkov is reported speaking on the "basic shortcomings which are reducing the economic and social efficiency of party organizational work and leadership and which must be overcome."

Nedyalko Atanasov, in a 350-word report from Troyan, reports the Fourth Accountability-Election Conference of the Troyan Municipal BCP Organization, which was attended by Stoyan Makov, candidate member of the BCP Central Committee Politburo and first deputy chairman of the Council of Ministers, chairman of the State Committee for Research and Technology, and by Petur Balevski, first secretary of the Lovech Okrug BCP Committee. Stoyan Markov is reported "positively evaluating the results achieved in recent years" in the area and urging the working people of Troyan to "devote all their intellect, efforts and daring" to the fulfillment of current tasks.

A 250-word report from Mezdra by Ilya Borisov is devoted to the Fourth Accountability-Election Conference of the Mezdra Municipal Party Organization, attended by Stoyan Karadzhov, chairman of the BCP Central Control-Auditing Commission.

A 300-word report by Neofit Petkov from Mikhaylovgrad reports on the Fourth Accountability-Election Conference of the Milhaylovgrad Municipal Party Organization which was attended by Mitko Grigorov, deputy chairman of the State Council, and by Petur Nikolov, first secretary of the Mikhaylovgrad Okrug BCP Committee.

Purvan Todorov, in a 250-word dispatch from Pleven, reports on the 31st Accountability-Election Conference of the Pleven Municipal BCP Organization.

Attended by Georgi Karamanev, chairman of the Social Council attached to the Council of Ministers, and by Stefan Ninov, first secretary of the Pleven Okrug BCP Committee and Ilya Petrov, in a 350-word dispatch from Vratsa, reports on the Fourth Accountability-Election Conference of the Vratsa Municipal BCP Organization attended by Ivan Iliev, deputy chairman of the Council of Ministers and chairman of the State Planning Commission, and by Svetozar Petrushkov, first secretary of the Vratsa Okrug BCP Committee. Iliev dwelled on the "most important and urgent task and on the necessity of a thorough change in the entire praty political and ideological work in order to meet the great requirements and lofty goals of the February 1985 and the January 1986 plenums of the BCP Central Committee."

All reports point out that the speaker emphasis the "importance of the February 1985 and January 1986 plenums" and on the people's succcesses in the aforementioned areas.

No changes in personnel or leadership of the local party organization are mentioned.

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CSO: 2200/80

BULGARIAN ORTHODOX BISHOP ON PEACE MOVEMENT

AU141945 Sofia BTA in English 1749 GMT 14 Feb 86

[Excerpt] Sofia, 14 February (BTA)--"Life on the planet should be preserved. Civilisation and the achievements of human genius should be used not for the purpose of mankind's predition but for its welfare. The sun of joy and happiness should never set. Therefore, let everyone work for this according to his calling and position."

This is part of the statement which Metropolitan Pankratiy of Stara Zagora, head of the Foreign Relations Department of the Bulgarian Patriarchate and vice-president of the Christian Peace Conference (CPC), made today before a reporter of the Bulgarian Telegraph Agency. The interview was occasioned by the forthcoming session of the CPC governing bodies due to be held in Sofia from March 2 through 7 at the invitation of the Bulgarian Orthodox Church, a respected member of the Christian peace movement.

The Sofia session is the first meeting after the 6th CPC All-Christian Peace Assembly, held between July 2 and 9 last year in Prague. It will be attended by some 100 delegates from 30 countries on the five continents. Along with other important questions of peace and social justice, its agenda includes a report by a Bulgarian representative devoted to the need for the establishment of a Balkan nuclear- and chemical-weapons-free zone as an important step towards detente and peace.

"The Christian Peace Conference is an oecumenical movement which epitomizes the Christians' responsibility for peace, social justice and dignified human life," Metropolitan Pankratiy indicated explaining the essence and the objectives of the organization. "It advocates constructive relations and safeguards for peace, peaceful settlement of all international disputes without recourse to force, general and complete disarmament, as well as cooperation among all nations on the principle of peaceful coexistence."

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OTECHESTVEN FRONT ON FAMILY REUNIFICATION CASE

AU191823 Sofia BTA in English 1436 GMT 19 Feb 86

[Text] Sofia, 19 February (BTA)--Mikhaela and Severina Filipova, aged seven and five, left for Rome today via Vienna by airplane. They are the daughters of Svezha and Mikhail Filipov, who have left Bulgaira illegally three years ago. The 85 year old Mariya, mother of Mikhail Filipov, also left with them. The two children and their grandmother received the permission of the Bulgarian authorities to leave for Italy. During the flight to Rome they will be accompanied by several Italian citizens, friends of the Filipov family.

In connection with this case, which has been used recently or speculation by some Italian newspapers, follows a reissue of a reportage of the Sofia daily OTECHESTVEN FRONT, published a few days ago.

OTECHESTVEN FRONT features a reportage on the "Filipov case" (About Svezha and Mikhail Filipov who left Bulgaria illegally in 1983 and deserted their children.

The two girls are aged seven and five. Mikhaela, the older of the two, is suffering from serious valvular defect of the heart and is mentally and physically underdeveloped. The children are living under good conditions with the grandparents (on their mother's side) Yordanka and Zhecho Dachev, in the town of Novi Pazar, for the last three years, and Mr Filipov has [as received] not extended any financial support to their children. "Thus, I have serious doubts whether the sending of the children abroad will be in their best interest," Justice Khristo Dimitrov, president of the Novi Pazar regional court, told the OTECHESTVEN FRONT reporter. In response to a request by the grandparents (Yordanka and Zhecho Dachev), Justice Khristo Dimitrov has issued a document giving the gransparents the status of the children's guardians.

"I believe their request legitimate and issued a document to that effect," said the judge. "The last section of Article 16 of the code of civil procedure allows the carrying out of such a procedure in cases where there is a conflict between the interests of the children and their parents. Who else could be the children's guardian but their grandparents, all the more that the children are living in their home and that the grandparents have undertaken the children's support (while their parents have practically deserted them at an age when the children were and still are practically helpless.")

The author of the article, Ms Rumyana Bratovanova, views the case as a conflict between the Dachevs and the Filipovs, a conflict between two generations of parents and between two different notions of the rights and responsibilities of parents in respect to their offspring.

The grandmother Mrs Yordanka Dacheva has the following to say: "The Bulgarian authorities have said that they would allow the children to join their parents. But even if the authorities are giving the children, I am not. Can I let these small children go to immigration camps? Can I be sure that someone is not coaching the parents and is not going to use the children in blackmailing my daughter and son-in-law? Why does Svezha want two of her children only? What about the other two, the older ones? Svezha must come back, there are four children waiting for her here.

Indeed, Svezha Filipova does not [word indistinct] other daughters from her first marriage, who are living with their father in the city of Ruse. Mikhail Filipovalso has a son from his first marriage who is living with his mother. At the time of their departure from Bulgaria, the Filipovs were still 5,500 leva behind in their payment of a state-granted loan. This money was paid by Svezha's parents, who are also looking after Mikhails' mother Mariya, 85 years old.

Justice Khristo Dimitrov: "I just can't imagine such a negligence on the part of parents. Children can't be looked after from such a distance. You can't be a loving mother while deliberately staying away from your children. And suddenly, years later, the Filipovs started pressing the Dachevs to regain custody over their children through public displays, cars.... There is obviously someone behind the Filipovs and it is not difficult to guess who. The influence of the anti-Bulgarian propaganda has awakened rather late their parental feelings."

And so the Dachevs refused to let the two girls go. The officials in Novi Pazar have offered their assistance to Filipovs' representative, Prof Piasavitzky, a U.S. citizen, who arrived in Bulgaria. The Dachev's were caterorical: They refused to send the children and Mikhail's 85 year old mother in the company of a total stranger who was on top of all unable to communicate with them as he did not speak Bulgarian. Besides, seven year old Mikhaela and her bigger [as received] sister Mariya, need constant care.

Mr Marin Mikhov, chairman of Novi Pazar's city council: "We have assisted the representative of the Filipovs but we cannot go against the elderly people's strong desire to educate the children in a Bulgarian spirit. The children are receiving the necessary material support: The household lives on two retirement pensions, a salary (Dachev, who is already retired, is still working) [as received] and a monthly allowance from the council. I think that this is before all a family argument. Such conflicts happen in other families as well, especially in view of the traditionally strong bonds between grandparents and grandchildren in this country."

"I find it difficult to reproach the mother," writes the journalist from OTECHESTVEN FRONT. But it is very difficult for me to believe what I see: What mother would leave her child, sick and helpless, in the hands of her aging parents? Can one forget and postpone maternity in the search for happiness and success? Now, in their statements before foreign anti-Bulgarian oriented radio stations, Svezha Filipov and Mikhail Filipov are saying that they have left Bulgaria but not their children. They said that they had wanted to play parts in movies and drama but their talents have not been recognized."

"I wonder whether they believe their own words," writes Mr Rumyana Bratanova. Children need constant care and attention. No one has disputed the Filipovs' right to happiness in this country."

"This is the story and we can discuss, at length, each character's understanding of his own rights and responsibilities. Although Svezha and Mikhail Filipov claim a good understanding of literature, they probably do not feel like taking part in a discussion like this. They are obviously under the impression that some people have rights only, while others, only obligations, and that they, of course, belong to the former group," states the author of the OTECHESTVEN FRONT article.

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JEWISH ORGANIZATION REJECTS TURKISH 'CAMPAIGN'

AU191904 Sofia BTA in English 1535 GMT 19 Feb 86

[Text] Sofia, 19 February (BTA)--"In Bulgaria there are no persecutions of and encroachments for religious and ethnical reasons upon any Bulgarian nationals whatsoever--such persecutions are incompatible with the principles and the essence of socialist humanism, with Bulgaria's legislation. We Bulgarian citizens enjoy freedom and equal rights in our work, we form a united brotherly family: Bulgarians, Armenians, Jews, Atheists, Orthodox Christians, Moslems and Israelites [as received]--regardless of sex, race, religious beliefs--in conformity with the constitution of our socialist homeland."

This statement is part of a declaration adopted by the plenary session of the central leadership of the public Cultural and Educational Organization of the Jews in Bulgaria. The declaration resolutely rejects the hostile campaign against Bulgaria launched by nationalistic and chauvinistic elements in Turkey with groundless accusations prompted by self-seeking aims.

The declaration stresses that there were persecutions and encroachments for religious purposes in Bulgaria during fascism. Such an antisemitic legislation separated the Jews from the other part of the people, suppressed and limited their rights and freedoms and prepared their genocide in the Nazi death camps. "We raise our voices to declare the historic truth that we, the Bulgarian Jews, were saved from mass annihilation thanks to the democratism and tolerance of the Bulgarian people and thanks to its courageous struggle to free itself from the paws of the Nazi plague", the document points out. It also stresses that Mr Todor Zhivkov, now Bulgaria's State Council president, took an active part and made his personal contribution to this struggle organized and led by the BCP.

"We, the Bulgarian Jews, have our own public, cultural, and educational organization, which has its own publication--the EVREYSKI VESTI newspaper, its own 'Year Book' and its own permanent exhibition 'The Rescue of the Bulgarian Jews in the 1941-1944 Period'. [words indistinct] cultural and educational work," the participants in the plenary session said. They stress that in spite of the fact that there are very few people in Bulgaria professing the Israelite religion, in this country there is a central Israelite spiritual council which is entirely subsidized by the state. The central synagogue in Sofia not only operates but has also been [words indistinct] restored with state means. These are facts that clearly show that in Bulgaria all ethnical groups are free and equal and that Bulgaria's government is categorically against assimilation by force. "The issue of the names of any Bulgarian nationals and of their religious beliefs is a personal one, a personal right guaranteed by the Bulgarian legislation," the declaration points out.

The participants in the plenary session of the Jewish Cultural and Educational Organization declare that "the activities of the [word indistinct] disposed to Bulgaria Turkish circles, in which unfortunately the Turkish Government headed by Mr Turgut Ozal takes part, are in the interest of those who are against goodneighbourliness and mutually advantageous cooperation." At the same time the participants in the plenary session expressed support to the 9 February declaration of the BTA, which sets forth the stand of the Bulgarian side for continuing the efforts for'the promotion of the equitable and mutually advantageous relations between Bulgaria and Turkey and against all attempts to interfere in the home affairs of the sovereign Bulgarian state and its citizens.

/12913
CSO: 2200/80

BULGARIAN-SOVIET FRIENDSHIP SOCIETY MEETING HELD

AU180933 Sofia RABOTNICHESKO DELO in Bulgarian 13 Feb 86 p 6

[Excerpts] The activities of the Bulgarian-Soviet Friendship All-National Committee and of the Bulgarian-Soviet Friendship Committees in 1985 and the forthcoming tasks of these organizations were discussed at a plenum of the All-National Committee held yesterday. Georgi Atanasov, candidate member of the BCP Central Committee Politburo and secretary of the BCP Central Committee attended the plenum. Leonid Grekov, USSR ambassador was also among those present.

In evaluating the successes, ideological-educational work, and cultural-mass work of the Bulgarian-Soviet Friendship All-National Committee, the plenum devoted attention to the fact that this work is not yet sufficiently purpose-oriented and that it is not adequate to the standards of the mutual relations existing between the USSR and the People's Republic of Bulgaria. The level of certain initiatives and events is not satisfactory.

The participants expressed themselves in favor of closer cooperation with other organs and organizations in the propagation and use of Soviet experience and in connection with developing the patronage movement, as well as international competition, which will contribute to the implementation of the decisions adopted at the BCP Central Committee February plenum.

Nacho Papazov, chairman of the Bulgarian-Soviet Friendship All-National Committee, delivered a closing speech at the plenum.

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CSO: 2200/80

POLITICS BULGARIA

BALEV ATTENDS PRESENTATION OF GORBACHEV BOOK

AU221707 Sofia Domestic Service in Bulgarian 1830 GMT 21 Feb 86

[Text] A festive meeting was held at the Soviet Embassy in Sofia on the occasion of the presentation of the new edition of Comrade Mikhail Gorbachev's book, entitled "Along the Leninist Path."

In his speech Comrade Milko Balev pointed out that the second edition of the book, completed by new works, is a great event for the Bulgarian party, state, economic, social, and leading cadres and for the ideological workers in Bulgaria and all Bulgarian citizens. In recalling that this book was published on the eve of the 27th CPSU Congress, Comrade Milko Balev expressed his conviction that this will not be an ordinary congress, but a turning point in the development of the Soviet country.

On behalf of the BCP Central Committee and on behalf of the Bulgarian PARTIZDAT, which published the book, Comrade Milko Balev presented to Leonid Grekov, USSR ambassador extraordinary and plenipotentiary to Bulgaria, a presentation copy of the book "Along the Leninist Path."

In accepting this new edition the Soviet ambassador pointed out that the book reveals the contemporary policy of the CPSU in all its character based on principle, in all its complexity and variety, and that the book reveals the party's innovative research and its striving to establish a link between the concern about the fate of socialism and the concern for the fate of civilization worldwide, as well as the striving to ensure the peaceful future of mankind.

/12913
CSO: 2200/80

MINISTER KHRISTOV ON TRADE RELATIONS WITH USSR

AU250921 Sofia BTA in English 1244 GMT 24 Feb 86

[Text] Sofia, 24 February (BTA)--"An extended system for trade and economic cooperation between Bulgaria and the Soviet Union is functioning today," marks [as received] Mr Khristo Khristov, minister of trade of Bulgaria, in RABOTNICHESKO DELO. During the last three decades the bilateral barter has marked explicitly dynamic growth, its structure and forms have been qualitatively enriched.

In 1956, the mutual barter amounted to 228 million roubles. In 1970 it has already reached 1.8 billion roubles. The next 15 years have marked even higher rates of growth, as well as ever deeper qualitative changes. During 1971-1975 the exchange of merchandise have amounted to 13.5 billion roubles, in 1976-1980, to 29.2 billion roubles, and in the past eighth five year period the barter has reached 51.7 billion roubles.

Pointing out this data Mr Khristo Khristov stresses the progressive changes, which have set in the structure of barter, above all in the sector of machines, equipment and computer technology. Their share in Bulgaria's export has grown at accelerated rates and in 1985 it has reached 60 percent. Bulgaria has consolidated its position as a trustworthy and long-term supplier of a number of basic types of metal working machines, hoisting and hauling devices and other mechanical engineering products, of a wide range of computer technology and products, as well as of a considerable volume of consumer goods--foods, chemistry and pharmaceutical products, light industry products and others.

At the same time the Soviet equipment and technology deliveries have shaped the outlines of the basic branches of Bulgarian economy. Bulgarian trade minister emphasises the great importance for the economy of this country of the Soviet deliveries of fuel, raw materials and consumer goods.

In the process of carrying out the long-term programme, the most efficient directions, forms and conditions for the further mutually advantageous and balanced development of the trade and economic cooperation have been determined through coordination of the new five year plans and the long-term trade agreement for the 1986-1990 period, which has been concluded in January, this year, stresses Minister Khristo Khristov. The new agreement envisages the barter between the two countries for the new five-year period to amount to

70 billion roubles. It is characterized by the fact that the exchange in the scientific and technologically intensive branches will grow at highest rates--electronics, computerized manufacturing systems, robotics, nuclear equipment, biotechnologies, etc. The establishing of joint economic enterprises with integrated managing bodies will make possible the joint development and mastering of the latest achievements of techno-scientific advance. The author of the article points as an example [as received] the three joint enterprises that have been established--for robotics, for processing numerically controlled machines, and for electronic devices for the automative industry.

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CSO: 2200/80

POLITICS BULGARIA

FURTHER SNOWFALL, HIGH WINDS INTERRUPT OKRUG SERVICES

[Editorial Report] Sofia ROBOTNICHESKO DELO in Bulgarian on 13 February 1986 carries on page 2 three brief unattributed reports, totalling approximately 450 words, from Kurdzhali, Stara Zagora, and Russ Okrugs on interruptions to services caused by snowfall and high winds. The Kurdzhali report states that, due to heavy snowfall with high winds, "once more there have been interruptions of the electricity and telephone lines, as a result of which 7 villages have been left without electric power and a further 22 populated settlements without telephone links. For the same reason 5 pumping stations have been put out of action, resulting in 17 populated settlements remaining without drinking water." Round-the-clock duty teams have been set up "to guarantee normal road communictions."

The Stara Zagora report states that "as a result of round-the-clock work by emergency teams, "working on the elimination of faults in the electric power supply to populated settlements, of the 177 villages in the Okrug affected, 123 have had their electricity and water supplies restored." It is reported that fresh snowfall has hindered road clearing activities, but the main roads and most of those between villages have been cleared.

Fresh, heavy snow is also reported from Ruse Okrug: "snowdrifts and banks, as well as reduced visibility due to falling snow, were the reason for the roads in the Okrug to be closed to cars and trucks with trailers." It is stated that special teams are engaged in clearing the roads, and duty teams have been formed to restore interruptions in services. It is reported that "measures have been taken to supply the population with all necessary products and goods."

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CSO: 2200/80

BRIEFS

CHILDREN REUNITE WITH PARENTS--(ANSA) Rome, 17 February--Two Italian Radical Party members flew to Sofia today to pick up two Bulgarian girls and their grandmother and bring them back to Italy to be reunited with their parents. The Bulgarian Embassy issued visas to Antonio Stango and Gino del Gatto, two Radical Party spokesmen who have taken the Filipov case to heart, [words indistinct] demonstration was restaged on behalf of the family outside the embassy's premises. Mikhail and Svezha Filipov started a hunger strike thirteen days ago to call attention to their plight and their demand to have their daughters and Mr Filipov's mother join them in Italy. Before issuing the visas, however, the Bulgarian Embassy released a statement blaming Mr and Mrs Filipov as the only ones responsible for their separation from their daughters. The couple, according to the embassy, had "categorically" refused to travel to Sofia themselves to pick up the children even though Bulgarian authorities had provided full assurances that the whole family would be allowed to reemigrate to Italy. [Text] [Rome ANSA in English 2030 GMT 17 Feb 85 AU] /12913

AFRO-ASIAN COMMITTEE DENOUNCES PAKISTAN--Sofia, 14 February (BTA)--The Afro-Asian Peoples' Solidarity Committee has issued a declaration voicing deep concern on behalf of the Bulgarian public over the brutal retribution of the Pakistani authorities against the Afrids, the Shinwars and other freedom-loving Pashtoon tribes. These tribes have taken a resolute stand against the turning of their lands into a springboard for the training and sending into Afghan territory of counterrevolutionary gangs on terrorist missions aimed to undermine the achievements of the April revolution. The pashtoon position, the declaration says is a contribution to the efforts towards normalizing the situation and establishing order and understanding in that part of the world. It is for this reason that it had angered the Pakistani military who have committed themselves to an undeclared war on the Democratic Republic of Afghanistan. The Afro-Asian People's Solidarity Committee resolutely condemns the actions of the Pakistani military and urges an immediate end to them. It expresses unreserved support for the struggle of the Pashtoon tribes for free and peaceful life. [Spelling of Pakistani Tribal Names as Received] [Text] [Sofia BTA in English 1929 GMT 14 Feb 86 AU] /12913

FILIPOV ATTENDS MEETING--On 16 February a joint session of the Burgas Okrug People's Council and the Okrug Council of the Bulgarian Trade Union took place. Comrade Grisha Filipov and Nikolay Zhishev, first secretary of the BCP Burgas Okrug Committee, took part in the session. The plan implementation during 1985 as well as the new counterplan on the Okrug's scientific-technological and socio-economic development of the Okrug and the 1986 Okrug budget were discussed. It was stressed that last year successfully ended the Eighth 5-Year Plan. The Okrug began the practical implementation of the decisions of the BCP Central Committee February Plenum as a basis of the further intense development of the Okrug's economy. Some 869 scientific-technological projects have been introduced. A profit of over 43 million leva has been obtained. Some 3,500 apartments and many other social-consumer and cultural objects have been constructed. [Text] [Sofia Domestic Service in Bulgarian 1000 GMT 15 Feb 86 AU] /12913

MLADENOV ATTENDS KUWAITI RECEPTION--"This evening the ambassador extraordinary and plenipotentiary of Kuwait to Bulgaria gave a reception in the "Vitosha New Otani" Hotel on the occasion of his country's national day. Among those present were Comrades Petur Mladenov and Grigor Stoichov," "representatives of public organizations," and other figures. [Summary from poor reception] [Sofia Domestic Service in Bulgarian 2000 GMT 25 Feb 86 AU] /12913

NEW AMBASSADOR TO SRV--The State Council issued a decree by which it releases Filip Velkov Markov from the duty of ambassador extraordinary and plenipotentiary of the People's Republic of Bulgaria to the Socialist Republic of Vietnam. The same decree appoints Georgi Todorov Vasev as ambassador extraordinary and plenipotentiary of the People's Republic of Bulgaria to the Socialist Republic of Vietnam. [Text] [Sofia RABOTNICHESKO DELO in Bulgarian 18 Feb 86 p 6 AU] /12913

DEPARTING POLISH AMBASSADOR--Syrian Ambassador Taha al-Khayrat, during an interim of the diplomatic corps, gave a cocktail party yesterday in the Park Hotel "Moskva" in Sofia on the occasion of the forthcoming final departure from Bulgaria of Wladyslaw Napieraj, the ambassador extraordinary and plenipotentiary of the Polish People's Republic. Mariy Ivanov, the first deputy minister of foriegn affairs of Bulgaria, was also among those present. [Text] [Sofia RABOTNICHESKO DELO in Bulgarian 20 Feb 86 p 2 AU] /12913

DYULGEROV RETURNS FROM HUNGARY--On 16 February the delegation of the Central Council of the Bulgarian Trade Unions, led by the Central Council chairman, Petur Dyulgerov, candidate member of the BCP Central Committee Politubro, returned from Budapest. It took part in the work of the 25th Congress of the Hungarian Trade Unions. At Sofia airport the delegation was greeted by Georgi Evgeniev, deputy chairman of the Bulgarian Trade Unions Central Council, Istvan Kiss, Hungarian charge d'affaires, was also at the airport. [Text] [Sofia Domestic Service in Bulgarian 1830 GMT 16 Feb 86 AU] /12913

ENVOY TO SRI LANKA, NEPAL--The State council releases Tocho Kiryakov Tochev from the post of Bulgarian ambassador extraordinary and plenipotentiary to the Republic of Sri Lanka and the Kingdom of Nepal. By the same decree Aleksandur Stanoev Tonev is appointed Bulgarian ambassador extraordinary and plenipotentiary to the Republic of Sri Lanka and the Kingdom of Nepal. [Text] [Sofia RATBONICHESKO DELO in Bulgarian 5 Feb 86 p 2 AU] /12913

CSO: 2200/80

POLITICS POLAND

BRIEFS

ACADEMY OF SOCIAL SCIENCES MEETING--The Senate and Executive Board of the Academy of Social Sciences met on 5 February 1986. Previous activities were discussed as well as the academy's tasks in the upcoming period, with particular consideration given to the preparation for the 10th party congress. Central Committee Secretary Professor Henryk Bednarski thanked the current academy rector, candidate Politburo member Professor Marian Orzechowski, for his contribution to the creation, organization, and administration of the academy. Bednarski also briefed the participants on decisions of the Politburo, ratified by the 24th Plenum of the PZPR CC, resulting in the appointment of Professor Jarema Maciszewski as rector of the academy and of Professor Bronislaw Ratus as deputy rector. Wladyslaw Honkisz, director of the Personnel Policy Department of the PZPR CC, also participated in the meeting. [Text] [Warsaw TRYBUNA LUDU in Polish 6 Feb 86 p 2] /6091

PZPR PERSONNEL POLICY PROBLEMS--Personnel policy department directors of the provincial committees met in conference in the Party Training Center of the PZPR CC in Warsaw. The meeting was called to discuss the problems affecting the implementation of party personnel policy. The participants reviewed the record of accomplishment in complying with the provisions set forth in the document "Underlying Premises of PZPR Personnel Policy," they exchanged views on lessons learned in this regard at the provincial party level, and identified tasks which need to be dealt with in the period leading up to the 10th party congress. Particular attention was paid to the role, significance, and responsibility of senior party personnel in the process of the nation's socioeconomic development. The meeting was chaired by Wladyslaw Honkisz, director of the PZPR CC Personnel Policy Department. [Text] [Warsaw TRYBUNA LUDU in Polish 6 Feb 86 p 2] /6091

PRODUCTION PLEDGES FOR 10TH CONGRESS--The work crews of the Lenin Shipyards in Gdansk, on the initiative of the factory party organization, have agreed to observe the upcoming congresses of the fraternal parties (the CPSU 27th Congress and the PZPR 10th Congress) with production pledges. With the passing of this resolution, the socio-political shipyard aktiv, during its inaugural meeting at the largest factory of the Polish shipbuilding industry, launched the pre-10th congress campaign. At the same time, the Gdansk shipyard workers appealed to the crews of production factories named after distinguished leaders of the international workers movement, and to the workers in factories involved in joint efforts with the shipbuilding industry, to launch similar initiatives. At the invitation of the shipyard workers, Stanislaw Bejger, Politburo candidate member and first secretary of the Gdansk PZPR Provincial Committee, and Iwan Tkaczenko, Soviet consul general in Gdansk, participated in the proceedings. [Text] [Warsaw ZYCIE WARSZAWY in Polish 6 Feb 86 p 2] /6091

GOMULKA BIRTHDAY COMMEMORATED--Residents of Krosno--the family home of Wladyslaw Gomulka--celebrated the 81st anniversary of his birth. [Text] [Warsaw ZYCIE WARSZAWY in Polish 6 Feb 86 p 2] /6091

FILM INDUSTRY ISSUES DISCUSSED--The minister of art and culture, Kazimierz Zygulski, met with the Presidium of the Executive Administration of the Polish Film Association on 6 February 1986. At this meeting they appraised the current status of the film industry and also discussed the most important issues of concern to the industry. [Text] [Warsaw TRYBUNA LUDU in Polish 7 Feb 86 p 2] /6091

PARTY DRAFT PROGRAM DISCUSSION--On 5-6 February 1986 the PZPR CC Ideological Department conducted a seminar devoted to the draft of the Party Program. CC lecturers took part as well as seminar-leaders from the provincial committees. In their meetings with the commission members engaged in formulating the draft, they discussed the draft's fundamental contents as well as its methodological foundations. [Text] [Warsaw TRYBUNA LUDU in Polish 7 Feb 86 p 2] /6091

CULTURAL-SCIENTIFIC CONTACTS WITH ALGERIA--Algiers (PAP)--A program between the governments of Poland and Algeria implementing cultural and scientific agreements for the period 1986-88 was signed here on 5 February 1986. The program defines the direction of future cooperation in the areas of science, culture, and education. It refers to an exchange of cultural performances, a strengthening of academic contacts, and increased development of scientific exchanges. [Text] [Warsaw TRYBUNA LUDU in Polish 7 Feb 86 p 7] /6091

CULTURAL AGREEMENT WITH VIETNAM--Hanoi (PAP)--PAP correspondent Stanislaw Grzymski writes that Deputy Minister of Foreign Affairs Jan Majewski visited Vietnam from 5 to 7 February 1986. He held talks with Deputy Minister of Foreign Affairs Hoang Bich Son, and he was received by Deputy Premier Vo Nguyen Giap and also by Minister of Foreign Affairs Nguyen Co Thach. The subject of the talks was the issue of Polish-Vietnamese relations, characterized by a strong development and intensification of cooperation in several areas. The further development of this cooperation was indicated during the course of these discussions. Deputy Ministers Jan Majewski and Hoang Bich Son signed an agreement promoting cultural and scientific exchanges between Poland and Vietnam for the period 1986 to 1990. [Text] [Warsaw TRYBUNA LUDU in Polish 7 Feb 86 p 7] /6091

PZPR SECRETARY VISITS COTTON MILL--Jan Glowczyk, Politburo candidate member and PZPR CC secretary, visited the largest cotton manufacturing plant in Poland, the J. Marchlewski Cotton Mill in Lodz. There he met with the political-economic aktiv, the workers' council, representatives of the trade unions, and the Factory Administration of the Union of Socialist Polish Youth.

The main topics of the meeting were the participation of party members and candidates in discussions leading up to the 10th party congress and the ways in which they can be made more socio-politically involved. [Text] [Warsaw ZYCIE WARSZAWY in Polish 7 Feb 86 p 2] /6091

WARSAW DELEGATION IN MOSCOW--Moscow (PAP)--PAP correspondent Slawomir Popowski writes that a delegation of Warsaw party and local government authorities has completed a 2-day visit to Moscow. This delegation included Janusz Kubasiewicz, first secretary of the PZPR Provincial Committee, Mieczyslaw Debicki, mayor of Warsaw, as well as Mieczyslaw Szostek, chairman of the Warsaw People's Council. On Wednesday [5 February 1986] they met with representatives of Moscow's party and local administration, including Boris Yeltsin, secretary of the CPSU CC and secretary of the Moscow City Committee. Also present was Valeriy Saikin, chairman of the Executive Board of the Moscow City Committee. One of the topics of discussion centered around preparations in both capitals for their respective party congresses. In addition, the course of development of future cooperation between Moscow and Warsaw was agreed upon. [Text] [Warsaw RZECZPOSPOLITA in Polish 7 Feb 86 p 9] /6091

POPE SENDS HOSPITAL GIFT--The Plock Voivodship Hospital Center reveived a gift from Pope John Paul II of modern diagnostic equipment. The gift, a "Soline" ultrasonograph made by the Siemens company, is used for non-invasive examination of certain internal organs, e.g. the liver, kidneys, and pancreas. Bishop Zygmunt Kaminski, the apostolic administrator of the Plock diocese, gave the equipment to the director of the hospital in the Pope's name on 3 January. Last month the Plock Voivodship Hospital received an infant gastrofiberscope as a gift from the Polish Primate. [Text] [Warsaw PRZEGLAD KATOLICKI in Polish No 6, 9 Feb 86 p 4] /12913

POLISH NATIONAL CATHOLIC CHURCH ACTIVITY--Kazimierz Morawski, member of the Council of State and ChSS [Christian Social Association] president, met with Tadeusz Ryszard Majewski, head of the Synodic Council and bishop of the Polish National Catholic Church. They discussed questions concerning the activity of Polish Christians in the areas of ecumenism, peace and socio-civic action. They stressed the importance of tolerance and of principles which express respect for differing beliefs and attitudes in social and religious life as permanent and irreversible values in strengthening national understanding and civic cooperation. The head of the Polish National Catholic Church in Poland reported on the activities of the church with particular view to the extensive donations of medical equipment made abroad to hospitals in Poland. [Text] [Warsaw ZYCIE WARSZAWY in Polish 8-9 Feb 86 p 2] /12913

PZPR PERSONNEL POLICY TALKS--A conference of personnel and education department directors from ministries and central offices and headquarters of cooperative unions was held at the Party Training Center of the PZPR CC in Warsaw. The participants evaluated progress made toward implementing the provisions set forth in "Underlying Premises of PZPR Personnel Policy." They also specified recommendations and tasks aimed at making current programs work more efficiently. Reference was made to the need to encourage senior party personnel to play a more aggressive role in the area of economic affairs. The responsibilities of senior party personnel in the struggle against symptoms of social pathology were underscored, as was their special role in activities geared toward the moral renewal of society. The meetings were chaired by Wladyslaw Honkisz, director of the PZPR CC Personnel Policy Department. [Text] [Warsaw TRYBUNA LUDU in Polish 8-9 Feb 86 p 2] /12913

OPOLE PARTY AKTIVS MEET--Party and social aktivs met at the provincial party headquarters in Opole to discuss and identify ways to combat pathological symptoms and negative phenomena in Polish life. Jozef Baryla, Secretary of the CC PZPR, provided the discussion summation. [Text] [Warsaw ZYCIE WARSZAWY in Polish 8-9 Feb 86 p 2] /12913

METALWORKING PLANT HOSTS MEETING--The socio-political aktiv at the H. Cegielski metal-working plant in Poznan received a briefing on the course and types of preparations for the 10th Party Congress, as well as a work schedule for the upcoming months. New party members received their membership cards during the course of the meeting, which was also attended by Stanislaw Kalkus, PZPR CC Politburo member and worker at the H. Cegielski plant. [Text] [Warsaw ZYCIE WARSZAWY in Polish 8-9 Feb 86 p 2] /12913

CSO: 2600/285

DECREE ON REORGANIZATION OF MINISTRY OF FOREIGN TRADE

Bucharest BULETINUL OFICIAL in Romanian Part I No 7, 7 Feb 86 pp 1-2

[Council of State Decree Amending Decree No 164/1979 on the Organization and Operation of the Ministry of Foreign Trade and International Economic Cooperation]

[Text] The Council of State of the Socialist Republic of Romania decrees:

Article 1. As of the date of the present decree, Article 21 of Decree No 164/1979 on the organization and operation of the Ministry of Foreign Trade and International Economic Cooperation will be amended and will have the following content:

"Article 21. The Ministry of Foreign Trade and International Economic Cooperation has the following organizational structure:

"a) The directorate for the foreign trade plan and the monitoring of the signing and implementation of foreign contracts;

"b) The directorate for prices and for the effectiveness of foreign trade operations;

"c) The directorate for hard currency;

"d) The directorate for the USSR;

"e) The directorate for the socialist countries which are CEMA members;

"f) The directorate for the socialist countries which are not CEMA members;

"g) The directorate for Western Europe;

"h) The directorate for Africa;

"i) The directorate for the Middle East;

"j) The directorate for Asia and Oceania;

"k) The directorate for North America;

"l) The directorate for Latin America;

"m) The directorate for agreements, contracts, international economic organizations, transportation and juridical matters;

"n) The directorate for the authorization of export and import and for the monitoring of the realization of the supply of goods for export by heavy industry and the machine-building, electrical engineering, metallurgical, extractive, and electric power industries;

"o) The directorate for the authorization of export and import and for the monitoring of the realization of the supply of goods for export by the chemical and petrochemical industries, by light industry and the wood industry, and by agriculture, the cooperatives and the food industry;

"p) The department for international economic cooperation:

"--The directorate for joint companies and the coordination of the activity of international cooperation;

"--The directorate for the export of complex installations, international bidding and technical assistance;

"r) The directorate for organization and control;

"s) The directorate for personnel, education and remuneration;

"t) The economic, administrative directorate and the secretariat.

"The organizational structure for the work branches and the maximum number of positions in the apparatus of the ministry are specified in attachments Nos 1 *), 1 a) *) - 1 f) *) and 2 *), which are an integral part of the present decree."

Article 2. The provisions of Article 2 of Decree No 409/1976 regarding the stipulation of measures as a result of the improvement of the organizational structure of the ministries and of other central organs continue to apply to the Ministry of Foreign Trade and International Economic Cooperation.

Article 3. The provisions of Decree No 367/1980 on measures for the rational utilization of personnel from socialist units, the validity of which was extended by Decree No 420/1985, do not apply for a period of 6 months to positions in the apparatus of the ministry, as well as to positions in units to which and from which personnel are transferred as a result of the application of the provisions of the present decree.

Nicolae Ceausescu, President of the Socialist Republic of Romania

*) The attachments are being transmitted to the institutions concerned.

Bucharest, 6 February 1986
No 50

/6091
CSO: 2700/103

PEOPLE'S COUNCILS', AGRICULTURAL OFFICIALS APPOINTED

Bucharest BULETINUL OFICIAL in Romanian Part I No 7, 7 Feb 86 p 3

[Presidential Decree on Some Appointments to the Position of Deputy Chairman of the Executive Committee of the County People's Councils]

[Text] On the basis of Article 97 of Law No 57/1968 on the organization and operation of the people's councils, the President of the Socialist Republic of Romania decrees:

Sole article--The following are appointed to the position of deputy chairman of the executive committee of county people's councils and director general of county general directorates for agriculture:

--Mihai Radu, deputy chairman of the executive committee of the Arad County People's Council.

--Vasile Duta, deputy chairman of the executive committee of the Arges County People's Council.

--Eugen-Florin Nitura, deputy chairman of the executive committee of the Botosani County People's Council.

--Radu Becleanu, deputy chairman of the executive committee of the Braila County People's Council.

--Sandu Lambru, deputy chairman of the executive committee of the Buzau County People's Council.

--Mircea Prunariu, deputy chairman of the executive committee of the Gorj County People's Council.

--Ion Avram, deputy chairman of the executive committee of the Ialomita County People's Council.

--Elisabeta Marina, deputy chairman of the executive committee of the Neamt County People's Council.

--Elena Sbircea, deputy chairman of the executive committee of the Prahova County People's Council.

--Ioan Simutiu, deputy chairman of the executive committee of the Satu Mare County People's Council.

--Livia Podar, deputy chairman of the executive committee of the Salaj County People's Council.

--Rodica Lesanu, deputy chairman of the executive committee of the Suceava County People's Council.

--Marcel Urechescu, deputy chairman of the executive committee of the Timis County People's Council.

--Eleonora Moga, deputy chairman of the executive committee of the Tulcea County People's Council.

--Vasile Nucuta, deputy chairman of the executive committee of the Vaslui County People's Council.

Nicolae Ceausescu,
President of the Socialist Republic of Romania

Bucharest, 6 February 1986
No 17

/6091
CSO: 2700/103

POLITICS ROMANIA

BRIEFS

PRESIDENTIAL APPOINTMENT--The President of the Socialist Republic of Romania decrees that Comrade Neculai Agachi is appointed first deputy chairman of the Central Council for Worker Control of Economic and Social Activity. [Excerpts] [Bucharest BULETINUL OFICIAL in Romanian Part I No 7, 7 Feb 86 p 2] /6091

CSO: 2700/103

'IRREDENTIST' SENTENCED FOR DEMONSTRATING IN SWITZERLAND

LD271651 Belgrade TANJUG Domestic Service in Serbo-Croatian 1542 GMT 27 Feb 86

["Irredentist Sentenced"--TANJUG headline]

[Text] Vranje, 27 Feb (TANJUG)--The grand criminal tribunal of the District Court in Vranje, presided over by Ekrem Islami, has sentenced Farik Junuzi (37) from the village of Breznica near Bujanovac [in southern Serbia] to 5 years' imprisonment for taking part in demonstration by greater Albanian extremist emigres in Geneva and Zurich. By taking part in the demonstrations in these Swiss towns, Faik Junuzi committed the criminal act of posing a counterrevolutionary threat to the sociopolitical system of the SFRY, which is punishable under the criminal law of the SFRY.

According to the indictment and the admission of the accused in court, Faik Junuzi took part in the demonstrations in Geneva and Zurich in 1981. On these occasions he carried a banner on which was written "Kosovo Republic." Other banners read "Stop the terror in Kosovo" and "Down with Yugoslav fascism." According to Junuzi's admission, the demonstrations lasted for more than an hour.

In the same year, Faik Junuzi and a group of greater Albanian extremist emigres and irredentists attempted to take part in similar demonstrations in Bonn, but were prevented from doing so by the police.

When he returned home from abroad some time ago, Faik Junuzi was placed in detention.

The investigative organs found an album of photographs and several cassettes of songs containing hostile content in his home.

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CSO: 2800/183

SERB IN EXILE BELIEVED KIDNAPPED IN VIENNA

AU242143 Vienna DIE PRESSE in German 22-23 Feb 86 p 16

[Special DIE PRESSE report by "ST"]

[Text] Vienna--At the beginning of this week a Serb living in exile in Vienna has disappeared in Vienna under mysterious circumstances. Friends and relatives fear that he might have been kidnapped. State Security police have launched an investigation; reportedly they have not discovered any proof to date.

The man who disappeared is 68-year-old Johan Caricic from Vienna-Donaustadt, a Serb by birth who was sentenced to death in Yugoslavia after the war as a former officer of the Serbian Army. After he was pardoned, he spent 10 years in jail in Yugoslavia before he came to Austria in the late 1950's.

Until recently he ran a forwarding business in Austria, but in addition he has played an active role in the movement of Serbs in exile. Among other things, he was president of the Serbian-Orthodox Church community in Vienna, and worked until recently for foreign exile newspapers.

Caricic has repeatedly received anonomous threats, warning him to "keep quiet" and to stop his political activities, but he refused to let himself be intimidated. In 1981 he was brutally beaten up in the yard of his apartment house in Hans-Steger Gasse in Vienna, and was seriously injured.

Since last Monday [17 February] the Serb has been missing. In the afternoon he told his family that he was going to the tobacco shop, and did not reappear. While a police spokesman declared that Caricic had disappeared without leaving a trace, his relatives believe that the 68-year-old man was kidnapped, and that the Yugoslav secret service is behind it.

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DAILIES DIFFER IN REPORTING JONANOVIC SPEECH

AU070851 [Editorial Report] Belgrade BORBA in Serbo-Croatian on 1-2 February on page 6, Belgrade POLITIKA in Serbo-Croatian on 1 February on pages 5-6, and Pristina RILINDJA in Albanian on 1 February on pages 1 and 5-6 carry reports on the discussion of the emigration of Serbs and Montenegrins from Kosovo held in the Federal Chamber of the SFRY Assembly on 31 January, providing varied reports on the speech of Batric Jovanovic, delegate from Montenegro.

In a 600-word report on Batric Jovanovic's spech, BORBA states that:

"According to a report in KNJIZEVNE NOVINE of 15 January 1986, a gathering of about 400 veterans of Kosovo-Metohija partisan brigades who live in Belgrade was held in Belgrade on 12 December 1985. The president of the Provincial Committee of the LC of Kosovo [Kolj Siroka] and representatives of the Veterans Federation of Serbia, Kosovo, and Belgrade also attended. The following resolution was passed by acclamation: 'The veterans assess that the process of differentiation among the most reponsible cadres of Albanian nationality has not even started, despite the LCY Central Committee Platform on Kosovo. The Assembly of the Socialist Autonomous Province of Kosovo is called upon to insist on the legal responsibility of persons guilty of violating the constitutional rights of Serbs and Montenegrins.' Batric Jovanovic then recalled that several prominent Kosovo-Metohija communists, such as the Jovo Sotra, Kadri Reufi, and Milos Sekulovic, offered resistance to the anti-Yugoslav and Great Albanian policy of a part of the former Kosovo leadership. Therefore, they were unjustly disqualified morally and politically, but they have not been rehabilitated to this day. What is more, the people who are most responsible for beating down the said communists continue to be high officials, and therefore it is necessary to include in the conclusions a provision that the Federal Chamber believes that it is necessary to rehabilitate most urgently the persons who were victims of the former Kosovo leadership."

POLITIKA in its 400-word report on Batric Jovanovic's speech, renders this passage as follows:

"Having mentioned a recent gathering in Belgrade attended by 400 veterans from Kosovo at which it was requested that Fadilj Hodza be held responsible for the escalation of Albanian chauvinism, Jovanovic proposed that the conclusions should incorporate a provision according to which the chief perpetrators in this situation in Kosomo should be called to account, and the sanctions against indoctrinated youths should be mitigated.

"According to him, one of the conclusions should be that the Kosovo assembly should annul the stands of the Bujan conference held at the end of 1943 and the beginning of 1944. This conference is now celebrated in Kosovo, but not the reunification of Kosovo and Serbia. He also proposed that in order to strengthen equality, a chamber of peoples and nationalities be introduced in all assemblies where there are several nationalities."

RILINDJA in a 500-word report on the speech of Batric Jovanovic, reports this section of his speech as follows:

"Continuing, Jonanovic, reports this section of his speech as follows:

"Continuing, Jovanovic said that the veterans of the Belgrade meeting observed that there are still some individuals in the provincial leadership who had connections with, or maintained positions of, Albanian irredentism and separatism. For this reason he proposed that there be incorporated in the conclusions of the meeting the point that 'it is necessary to hold legally and politically responsible the chief perpetrators of the mistaken policy in Kosovo up to 1981, and substantially to reduce the pressure of sanctions against indoctrinated young people.'"

RILINDJA reports that Jovanovic also commented upon the anomaly that the flag of the People's Socialist Republic of Albania was permitted to be used by Albanians in Kosovo, and further notes: "In this context, Jovanovic introduced the equality of languages and alphabets, and demanded that the cyrillic alphabet in Kosovo, as is proper, as the alphabet of the Serbs and Montenegrins, should earn the treatment it deserves. Finally he proposed that this chamber should consider the situation every two months in connection with the emigration of Serbs and Montenegrins from Kosovo."

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FADILJ HODZA NAMED AS RESPONSIBLE FOR KOSOVO IRREDENTISM

AU012056 [Editorial Report] Belgrade Domestic Service in Serbo-Croatian at 1800 GMT on 31 January carries a 5-minute report on the 31 January discussion in the SFRY Assembly Federal Chamber on emigration from Kosovo.

The Belgrade Radio report refers to the morning speech by Batric Jovanovic, "which provoked Aslan Fazlija's reaction in the afternoon. Among other things, Batric Jovanovic quoted the conclusions of the gathering of 400 Kosovo veterans who live in Belgrade. It is said in these conclusions that Fadilj Hodza bears the greatest responsibility for the irredentist escalation in Kosovo. He therefore proposed that the main culprits for the erroneous policy be called to political and criminal responsibility.

"Aslan Fazlija said that one cannot bypass the League of Communists, and he stressed that the veterans include some who do not agree with the party. Fazlija rejected Batric's thesis about the need to rehabilitate the persons who pointed out errors, saying that this, too, is a matter for the League of Communists. Fazlija also disputed Jovanovic's characterization of the Bujane conference and said that it has no connection with emigration and that no official organ has rejected this conference. Fazlija in conclusion proposed that the Federal Chamber should dissociate itself from Batric Jovanovic's proposal."

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CSO: 2800/182

DRAGOSAVAC, BILIC DIFFER ABOUT LC DEFINITION

AU082055 Belgrade BORBA in Serbo-Croatian 5 Feb 86 p 2

[Seada Vranic article: "Does Unity Obstruct Unity?"]

[Excerpts] The reservation expressed at the latest session of the Central Committee of the LC of Croatia by Marko Lolic, member of the LCY Central Committee, referring to the definition of the LC of Croatia as an "independent and unified organization in a unified LCY" considerably contributed to an atmosphere of a very critical and frank discussion about the amendments to the Statute of the LC of Croatia. Lolic resented that this definition shifts the stress from LCY unity--which was particularly insisted upon by the public discussion of the draft conclusions of the 13th LCY Central Committee session--to independence, which in essence leads to a federalization of the LC.

Nine Questions Or --.

An even more explicit doubt as regards the said definition was expressed by Dusan Dragosavac, member of the LCY Central Committee Presidium, who said that this formula in fact legalizes nine Leagues of Communists, which would not only be unified but also independent. Such a formula (which is proposed both for the LCY Statute and for the statues of the republican and provincial LC organizations) cannot withstand serious Marxist criticism, and is not in conformity with the basic premises of the Croatian LC Program. It tends to some extent to identify the party and the state, pushing the LC into the state and the nation.

In the modern world, particularly in societies as ours, the question of the right of a nation to self-determination and to secession is constantly being posed. At the same time, the struggle for the other thing, for unity, is also strongly pronounced. One stresses not only autonomy but at the same time also interdependence. Unity, one knows, may be realized exclusively on equality.

Specifically in the LC, Dragosavac added, unity is being realized on the basis of its program and the unified statute foundations which, however, offer sufficient scope for initiative that should not be an obstacle to unity but should enrich our practice.

Jure Bilic, member of the LCY Central Committee Presidium, also referred to this question in his speech. He recalled that the LCY Statute previously contained the wording that the LC's of the republics and provinces unite in the LCY. It is a historical fact, Bilic said, that a unified party was set up in 1919, but in 1937 we began creating national parties. Therefore, the present LCY unity is not the unity that existed in 1919, but unity which incorporates independent organizations in the republics and provinces. Particularly since the 1974 Constitution, we have gone further in the elaboration of the concept of unity and independence, and this especially relates to the provinces.

...Eight Parts of a Whole

The wording which has been arrived at, according to Bilic, has not come about only under the pressure of the leadership of the LC of Serbia for unity within the LC of that republic, or under the pressure of unclarified relations between the LC of this republic and the party leaderships in the provinces. The starting point, in fact, was that unity must exist in the basic organizations and also in the communal, provincial, and republican organizations, as well as in the LCY, on the basis of the LCY program and policy.

It is a moot point, after all, Bilic said, whether this is federalism; however, the intention was not federalization, but unity as regards the adoption and the implementation of policy. There can be no unity in the LCY if there is disunity in the LC of Croatia or if the relations within the LC of Serbia are disputed.

The different views which this time were manifested about the definition of the republican and provincial LC organizations should not be regarded in advance as something that should not happen in the LC. Even the fact that differences were manifested among the members of the same--in this case the highest--party leadership should not be regarded negatively. It is true, however, that much public criticism has recently been addressed at the disunity in the leaderships, which undoubtedly has wide repercussions on the relations and the situation in the LC. In his time even Mitja Ribicic, when he was president of the LCY Central Committee Presidium, publicly cited this organ and spoke very critically about the disunity manifested immediately after the 12th LCY Congress which could have dire consequences.

As regards the concrete wording, we believe that it is good that the question of relations in the LCY should be thoroughly discussed until the party congresses and that all the arguments be voiced publicly and loudly. Even the fact that the abovementioned definition of the republican and provincial organizations of the LC is backed by two commissions, and even by the LCY Central Committee Presidium, should not prevent opposite views from being expressed, particularly since the discussion will run up to the 13th congress and what is at stake is probably the most sensitive question in the LCY. It is sensitive because the warnings about the deeper and deeper penetration of federalism in the LCY are not overblown.

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POLITICS YUGOSLAVIA

HASANI BOOK ON KOSOVO PUBLISHED

LD242117 Belgrade TANJUG Domestic Service in Serbo-Croatian 1655 GMT 24 Feb 86

[Summary] Belgrade, 24 Feb (TANJUG)--At the international press center in Belgrade a book by Sinan Hasani, the well-known author and vice president of the SFRY Presidency, entitled "Kosovo, Istina i Zablude" [Kosovo, the Truth and Misconceptions] was launched. The book is published by the Zagreb Center for Information and Publicity and was reviewed by Koca Joncic, Dusan Bilandzic and Rahman Dedaj. According to Koca Joncic, the author of the book addressed himself mainly to the theme of intranational relations in Kosovo in a very objective, critical and Marxist way, assessing, with poignancy and objectivity, above all the situation in his own nation, greater Albanian nationalism and irredentism. Sinan Hasani has reviewed with particular success the variegated mosaic of hostile organizations, their exponents and aims, the forms of their activity and their historic destiny.

"'My main objective in writing the book was to use the counterrevolutionary events in Kosovo to draw attention of socio-political organizations in Kosovo and further afield to the need for investing even more efforts in promoting and consolidating the fundamental achievements of our revolution,' Sinan Hasani said.

"Hasani went on to stress that, except centers connected with Albania and hostile emigres, the research so far had failed to uncover a common center of the enemy's activity in Kosovo itself. If this is the case, he added, then there is no room for some well-meaning people's belief that the centers must be inside the country. It is unacceptable, malicious and unnecessary to insist on such an attitude and to seek the enemy's leaders among the leading personalities of Albanian nationality in the LCY. It is not impossible that somebody from the enemy's camp finds its way into the League of Communists; it is, however, wrong and unacceptable to look for the enemy exclusively within the LC ranks.

"The book also raises the question as to what is to be done next. For 5 years now the LC and working people in Yugoslavia, the Socialist Republic of Serbia and in Kosovo have been waging a determined struggle against Albanian nationalism and irredentism. Regardless of some mistakes, the struggle has yielded significant results in the efforts to put an end to the enemy's activity, to expose it ideologically and politically and to end the emigration of Serbs and Montenegrins from Kosovo. Socio-political actions in Kosovo must be directed towards achieving greater results in the economic activity, raising productivity, using capacities rationally and increasing exports. In addition, the entire Yugoslav community, and some of sections, in particular, must assume an even more responsbile attitude towards Kosovo, Sinan Hasani said."

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TANJUG CITES SOVIET THEORIES ON WAR, PEACE

LD211818 Belgrade TANJUG in English 1638 GMT 21 Feb 86

[Text] Moscow, February 21 (TANJUG)--The biggest war danger does not come from the capitalist system as a whole, but from the "policy of aggressive imperialist circles." Dissociating from them are the "soberheaded and reasonable" members of the bourgeoisie who are aware that in our time there can be no winner once the nuclear force is used and who feel that the arms race narrows the possibilities of their accommodation to new conditions.

In this way the new programme of the CPSU and modern Soviet political thought explain the rapprochment and cooperation between the international workers' and Communist movement and the Socialist International. This question and the problems of war and peace are among the main themes of the Soviet analyses prepared for the 27th Congress of the Communist Party of the Soviet Union.

Soviet theoreticians studying the relationships between socialism, peace and war point to the danger of some ultra-leftist theories claiming that capitalism cannot renounce the arms race, i.e., that stable peace cannot be achieved as long as capitalism exists. Soviet political thought points out that similar theories are fraught with adventurism of the artificial instigation of revolutionary process and prevent the joint struggle for peace of all world forces opposed to war, regardless of their political orientations.

The example of neutral European countries--Finland, Austria and Switzerland--is being cited as a proof that "in principle, there is a possibility of capitalism developing without an arms race and militarization of the economy."

The analyses point out that the steady growth of prestige in the world of the movement of nonalignment is a major obstacle to capitalist expansionism. In capitalist countries themselves, a growing antiwar potential is becoming included in the mass antiwar movement, which was described as a "long-term influential factor of social life."

In particular, Soviet theoreticians reject the so-called theory of "equal responsibility" of the United States and the Soviet Union and of their military blocs for world tension and the arms race.

To the Soviet Union, this is an untenable theory because it proceeds from a "simplified picture of international affairs, overlooks the socio-economic character of social relations and boils down to formal international state activities."

According to the analyses here, this theory has been denied by numerous Soviet peace initiatives. Nevertheless, it remains dangerous because it "conceals the actual focuses of crisis and contradicts the essential nature of the course of imperialism and socialism."

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CSO: 2800/182

VIDOJE ZARKOVIC RADIO INTERVIEW

LD091131 Belgrade TANJUG Domestic Service in Serbo-Croatian 1115 GMT 8 Feb 86

[Text] Belgrade, 8 Feb (TANJUG)--Despite all the oscillations, hold-ups, difficulties, obstacles, and wrong roads taken, the hopes and expectations of my generation's youth for the distant future, about the new Yugoslavia, have not been dashed. This is how Vidoje Zarkovic, president of the LCY Central Committee Presidium, prominent revolutionary, wartime fighter under Tito and well-known sociopolitical worker, begins his recollections and evaluation of the most important events of the past 40 years in the development of the LC and of Yugoslavia in a lengthy interview to Milos Jevtic, editor of Radio Belgrade's second program.

A land which once was no more than pocket change in the settling of accounts between its foreign overlords has grown into a free country whose reputation in the world and contribution to peace and equitable international cooperation is enormous, a country which has become the most loyal comrade and friend of all who are fighting for their freedom. I read recently that some researchers in Canada determined that in the United Nations, Yugoslavia takes sixth place in influence on world politics, an exceptional honor for our country.

Of course, said Zarkovic, actual trends have not always coincided with the plans for a new society created in the wartime period in the heads of the young Communists of the generation to which I belong. We thought we would be able to realize very quickly everything we wanted to once power fell into the hands of the Communists. Later we realized, some sooner and others later, the hard and often hostile reality of the material limitations.

I do not mean, Zarkovic added, to belittle the severity and seriousness of the problems our society faces today. I wanted to emphasize the undeniable fact that in our present difficulties it is not infrequently forgotten that this 40-year period is the most significant and, in its achievements, the richest epoch in the history of our nations and nationalities. We began the epoch in ashes and ruins, on the foundation of great poverty and great pressures on the freedom of the newly created country.

I believe, Zarkovic emphasized, that despite all the weaknesses we can be satisifed with what we have achieved. It goes without saying that there is still much to be done to realize the revolutionary ideals, plans, and visions of the LCY for building a new society. There is much work to be done and there will be more for future generations.

Speaking about the split with the USSR in 1948, Zarkovic said: It is well known that the Communist Party of Yugoslavia educated its members and working people with enormous enthusiasm and sincerity in the spirit of love for the USSR, as the first country to begin the era of building socialism, the country which bore and suffered the greatest burden in the destruction of fascism, a country which is the sincere comrade and friend of our nation and all nations fighting for freedom and a better life. For this reason, what happened in 1948 was indeed, at least for us young people, surprising, unexpected, shocking. From those quarters we did not expect any kind of attack, but rather assistance if anyone attempted to threaten our freedom and independence.

Prior to the Cominform resolution I was acquainted with the letters exchanged between our Central Committee and the CPSU Central Committee; but news of the resolution itself reached me on a train in Czechoslovakia. As a commissar in a unit of the Navy I was on my way to Prague for a major sporting event. As we know, RUDE PRAVO was first to publish the resolution and I read it, I remember, somewhere just before Bratislava.

I remember, too, that after the publication of the resolution the attitude of our hosts toward us cooled remarkably quickly. For me and my comrades in the naval command where I was serving, there were no problems or dilemmas over the stand we took. There were none for the simple reason that we were convinced, reading the resolution and following the campaign against us which immediately ensued, that the accusations against our party and country were founded on lies and slander.

As we know, there followed an economic blockade and the most furious propaganda which did not desist from claiming that our revolution had even been organized by the Gestapo. They went so far as to claim that troops [not further specified] had been massed on our borders. We experienced these attacks on our party and our country as a great insult to our revolution, an insult to our fallen comrades who remained on battlefields throughout the country.

The Communist Party was not destroyed then. The people were not separated from the party and the leadership. In the face of this slander our ranks closer even further. Only a few individuals fell by the wayside. None did so among my sailors in Prague. We were dismayed by such individuals because we realized that they were doing this mainly out of careerist or dishonorable reasons. They expected the victory of the powerful Stalin, and wanted to make sure they were found on the side of the victor and would profit by higher positions.

It is true, there were individuals who wavered out of confusion at the situation which had arisen. We tried to help them, to keep them with us, although perhaps in some cases we were not sufficiently patient and persistent. Any provocation which could be used as an excuse for armed attacks had to be prevented, Zarkovic recalled.

At first we thought that it was a question of a great intrigue by someone against the Yugoslav Communist Party, an intrigue which Stalin had been taken in by, but gradually we began to realize that a far deeper problem was involved: Stalin's hegemonistic policy. He was annoyed by the Yugoslav Communist Party precisely because it was at the head of an authentic revolution out of which grew a free and independent country which was nobody's satellite. We realized that it was a question of disagreement over the forms and paths of building socialism which were appropriate to the specific conditions of our country and the needs of our peoples.

And in these difficult and complex moments our party tirelessly endeavored not to let anti-Sovietism develop because of the clashes with Stalinism which justifiably aroused our people's anger. As we know, it did not develop.

The arrival in Belgrade in 1955 of the Soviet delegation which publicly admitted that the Cominform resolution and the campaign against us had been a mistake, began the process of reviving friendly relations with the USSR and other East European and socialist countries on the well-known principles established in the so-called Belgrade Declaration.

These are the principles of equality, mutual respect, regard for sovereignty, noninterference in internal affairs, recognition of the responsibility of every party toward its own people, and so on. On these principles these relations developed strongly and are still developing today, because it is in the interests of our countries and our peoples, stressed Vidoje Zarkovic.

If we look at what happened in 1948 from a distance of nearly 40 years, we see the enormous historical importance of our decisive resistance to the pressure on the part of the Cominform, both from the point of view of our freedom and independence and from that of the development of relations in the international workers' and communist movement on new equitable principles. Many stands of the Communist Party of Yugoslavia which were interpreted at the time as heresy have today become generally recognized principles in relations between communist and workers' parties.

There are attempts made in our country today, Zarkovic noted, to write about those days and events in an extremely one-sided manner, simply from the viewpoint of the fate of individuals. They ignore the specific situation, they ignore the fact that those were moments when decisions were made on the fate of the country and the revolution, that strong reaction against individuals who were deserting at that time were inevitable. If this is now hushed up and ignored and all reduced simply to the fate of individuals, then a distorted, false picture is given of it all. The full truth should be told about that period, and it demands a complete approach which does not exclude possible mistakes against individuals.

Asked to assess the importance of the changes in the names, the Yugoslav Communist Party and the LCY, or rather the changes in the way of realizing their leading role in society, Zarkovic stressed that this move originated out of the LCY's desire to have the rule in the name of the working class increasingly transformed into the direct rule of these masses themselves. Developing and conceiving a new method of realizing its leading ideopolitical role in society, which was why it also changed its name, the party was in fact contributing to the more successful development of society as a whole.

The LCY saw that any imposition of decisions on self-managing organs and delegate bodies from any side, and even on the part of the LCY, would hinder the development of socialist self-management. However, the party also proceeded in these changes from the knowledge that the development of self-management would not be possible, nor successful, without the activity of the LCY, which would, as an integral part of the working class, speed up within the self-managing structures everything which is progressive in society and oppose all that would hinder and slow up the development of socialist self-management.

The transformation process of the LCY, however, has not yet attained objectives which would allow it to become the real vanguard of a new kind, in keeping with the new historic needs of the revolution. In these processes we are constantly coming into conflict with two unacceptable tendencies: a dogmatic one, which takes us back to the positions of a one-party system; and a liberalistic one, which in fact aims at abolishing the LC as a vanguard or suppressing it to the margins of social events.

From the point of view of historic and revolutionary experience our society is in fact still very young. We are building an original road of social relations which has been recognized in the world. Therefore, Zarkovic said, we cannot make use of other countries' experiences and this is why the road we are following is neither easy nor simple. We always had to carry out a critical analysis of our own experiences in order to draw a lesson from them, eliminate weaknesses and mistakes, and further develop the system of social self-management in keeping with our general orientations.

The development of self-management has from the very beginning been accompanied by some negative tendencies and deformations such as group-ownership relations, a division between rights and responsibilities, attack on social property, anomalies in distribution and the like. All this, Zarkovic said, was accompanied by the erosion of morale in our scoiety. We must react to all this in due course in order to be able to go one.

In the continuation of his interview Vidoje Zarkovic talked about events from the early seventies--nationalism in Croatia, liberalism in Serbia, and the so-called dispute sbout the construction of roads in Slovenia. At that time various antisocialist--I would not call them forces--groups and individuals, became active. The LC and other progressive forces of our society resolutely opposed all this. Comrade Tito, as is known, personally stood up against all such phenomena and tendencies in the most vigorous manner. Tito's well-known letter mobilized all the progressive forces in our society, above all Communists, in a vigorous action aimed at preventing and eliminating such phenomena.

However, LC activity has not been restricted to immediate action against these tendencies. Alongside this the LC began large-scale activity involving the further development of our socioeconomic and sociopolitical system with the aim of reducing objective bases for countering such tendencies and similar ones and securing fresh steps toward the development of socialist self-management and the consolidation of the equality of our nations and nationalities. This was a period of great explorations and major reforms in this direction, characterized by the passing of constitutional amendments, the new Constitution, and a Law on Associated Labor. All these contributed to the development and consolidation of the fundamental principles of our society.

Speaking about Josip Broz Tito, who marked the birth and development of the socialist self-managing and nonaligned Yugoslavia with his revolutionary work, Zarkovic stressed that Tito was undoubtedly one of the most courageous fighters for peace, freedom, justice, and equality in the modern world. He added that we were aware of this when he was alive, while today it seems that the greatness and importance of his work is felt even more. Day after day we are assured in this and regardless of passing time we constantly feel the need to return to his work and to search and find guidelines and signposts in his visionary ideas for our further internal and international activities.

We must always be aware, particularly in today's complex social situation, of Tito's readiness and resolve to come to grips with all problems. Today, more than ever, emphasis is laid on the importance of his constant attempts to strengthen the unity of the LCY and its leaderships and the brotherhood and unity of our nations and nationalities as basic prerequisites for the further development of our socialist revolution.

I had the pleasure, Zarkovic said, not only of fighting under Tito's leadership, but also of knowing him personally, as a strategist, creator, man, and friend... [TANJUG ellipsis] Meeting with him always left me with an impression of dignity, courage, humanity, and nobleness. As only a few people do he had an unshakable faith in a working man and the creative force of working masses. He knew how to give meaning in a simple way to the true aspirations of our working class and our nations and nationalities and to fight for them with the persistence and perseverence of a Marxist, visionary, and hero.

There were always speculations about what would happen to Yugoslavia after Tito. These speculations, Zarkovic said, were in keeping with a popular proverb: One dreams about what one hopes will happen. These forecasters of the disintegration of Yugoslavia after Tito forgot that Yugoslavia was born from blood and from the deepest aspirations of our nations and nationalities, and that it is not some kind of a temporary or negotiable formation. They forgot that Tito became the essential part of our social body long ago and that he identified himself with our community, our working class, our path of internal socialist development, and our nonaligned foreign policy.

True, it is indisputable that Tito's departure left a great gap in our ranks. But we must overcome this gap and continue the successful development of socialist self-managing society, Zarkovic said, by relying on Tito's work and by intensified and collective efforts. The fact that Tito left us during his lifetime a well-established system of collective work on the highest social and political level made it much easier for us to consistently carry on leading the country, the LCY, and the Armed Forces.

A part of the interview was also devoted to the nonaligned policy. Vidoje Zarkovic considers that its beginnings were not in 1961 when the first Nonaligned conference was held, but that this event was the logical result of our foreign policy to date. In this connection he recalled Tito's numerous journeys to countries of Africa and Asia. In Tito's speeches of that time the concept of nonbloc, in real terms nonaligned, policy was clearly established. For this reason, he stressed, we cannot talk of some kind of a complete change of events in our foreign-political orientation which occurred on 1 September 1961.

According to Zarkovic's assessment the greatest event in the development of nonaligned countries was the sixth summit in Havana in 1979. This meeting was of great importance for preserving the unity of the movement of the bases of its original principles. Tito's personal contribution was enormous. The summit, he recalled, paid a special tribute to Tito as the most prominent creator of the movement of the nonaligned countries and the nonaligned policy. Because of Tito, nonalignment became the reality of present-day mankind and the only choice in the bloc division of the world, with all the dangers arising from this division. For this reason nonalignment becamse the unshakable orientation of Yugoslavia's foreign policy.

The most important causes of the economic crisis in the country are found in our own mistakes and weaknesses in recent years. We should say here that self-management was not the only cause of the crisis, it being a system which is in itself a negation of the crisis because it ensures the highest degree of initiative, creativity, and the involvement of individuals and collectives in production and other fields. This was said by Vidoje Zarkovic, president of the LCY Central Committee Presidium, in his interview of Radio Belgrade's second program, in which most attention was devoted to topical economic and social problems and LC tasks in this connection.

Zarkovic noted that the crisis in recent years was caused by strengthened polycentric etatism which suppressed self-management and encouraged voluntarism, autarchy, isolationism, the weakening of the country's and the LCY's unity, the very slow adapting to changes in international economic relations and the like. This led to the invasion of the economy by noneconomic elements, the wasting of production potentials, the squandering of social ownership which turned group-ownership into private ownership. On the other hand, it led to an ever-increasing tendency to weaken the material basis of soicalist self-management.

Those who only see causes of this kind and do not perceive it as part of global trends are making a mistake. If we overlook this, Zarkovic recalled, a wrong impression is created that everything would have been fine if the leadership had not made so many mistakes and in particular if we had not incurred so many debts. I do not, he added, negate the need to criticize either the leadership and their mistakes or the unfavorable influence of over-indebtedness on our overall state of affairs.

In his reply to a question about how we can overcome such a situation, Zarkovic stressed that the answer is primarily in further and speedier development of socialist self-management. The answer is also in the increased collective efforts of working people aimed at raising labor productivity, exploiting existing capacities and working hours in a more profitable way, coordinating all aspects of consumption with the realistic potentials of economy and the like. In any case, there are no magic moves which can resolve these problems overnight. Therefore, we must act accordingly.

Regardless of the complexity of the problems, he pointed out, I think there should be no doubt that we will overcome this phase in our development thanks to the strength of the working class and all the working people and citizens of our country. Communists must resolutely fight against defeatism and demoralization caused by difficulties, as they always have, thus always managing to achieve what appeared to be impossible.

Continuing the interview, the president of the LCY Central Committee Presidium did not agree with an assessment that no results were achieved in implementing the long-term program of economic stabilization. The very serious problems we face--a high rate of inflation, a fall in the standard of living, the exacerbation of liquidity and others--he warned, give the impression that nothing has been achieved of what was envisaged by the Stabilization Program. However, this impression is incorrect.

We adopted, although with serious delays, a large number of economic and systematic changes, passed the medium-term plan, achieved certain results in settling the country's balance of payments, significantly increased the covering of imports by exports, and secured a certain amount of surplus in the foreign exchange balance. This secured a more regular payment of a part of debts incurred through foreign credits and a better supply to markets of raw materials, semifinished goods, and some imported retail goods.

The crisis would have been much more serious and the situation much worse if we had not undertaken numerous activities since passing the long-term plan which led to these and similar results. For this reason we must not undervalue the results achieved so far with great efforts and self-sacrifice.

All this does not mean, of course, that we can be satisfied with efforts, self-sacrifice, and results achieved so far in realizing the long-term plan. On the contrary, we were slow, superficial, and inconsistent in realizing this program which we adopted as the program for a speedy way out of the eeconomic crisis.

By adopting a number of economic and systemic changes envisaged by the Stabilization Program, the medium-term plan, and the development of policy for 1986, at the end of last year we created conditions for a fresh and more favorable situation in the struggle for stabilization. Activity must now focus on implementing the established policy and on organizing the widest action aimed at better exploiting capacities, better and more profitable work, an increase in production geared toward exports and an increase in imports, speedier financial consolidation of the economy, the consistent implementation of anti-inflation policy and so on. We cannot secure the construction of self-managing relations and economic stabilization only by state and self-managing norms and restrictive measures, Zarkovic said. These are the processes which vitally depend on the progress of production forces and on the conscious activity of men who implement the established tasks and goals. These are, of course, the main issues to be dealt with at the 13th LCY Congress and at congresses and conferences in the republics and provinces.

Assessing the present situation in the Autonomous Province of Kosovo the president of the LCY Central Committee Presidium pointed out that it continues to burden the overall political situation and relations in the Socialist Republic of Serbia and the whole country. For this reason, he added, greater attention must be devoted to improving this situation in the light of the strategy of the general development of the country. This requires the tightest cooperation among all subjective forces in Kosovo, Serbia, and Yugoslavia as a whole.

Replying to the question, "Would counterrevolution occur even if Tito were alive?," Zarkovic stressed that its causes were established in the platform on Kosovo and added that these events would have taken place even if Tito were alive, regardless of the invaluable and incomparable historic role which Comrade Tito played in the internal and external stability and strength of our community.

Assessing the results achieved in the struggle against irredentists, Zarkovic stressed that the efforts of the subjective forces of Kosovo, Serbia, and the whole country have contributed to an improvement in social conditions and the security situation in Kosovo. In this struggle the greatest burden is being borne and the greatest contribution being made by the Communists, workers, and working people of Albanian nationality in Kosovo, which is also normal.

However, although the irredentists have been dealt powerful blows they still have not been overcome and are renewing themselves and operating in an organized way. We had to and we can achieve more in smashing the irredentists, especially in halting the emigration of Serbs and Montenegrins under pressure and in allowing those who want to return to their hearts. We should not, Zarkovic stressed, reconcile ourselves with the realization of the irredentist dream of an ethnically pure Kosovo.

We must be concerned by the differences in the assessment of the situation in Kosovo and results so far in implementing the LCY platform which have recently been expressed at some meetings at which this matter was discussed. They should concern us all the more as they are being expressed on a regional, or rather national, basis. Some see only problems and not the great efforts and certain results achieved in solving them. Others, however, belittle the fact that irredentism has not been overcome, that it is renewing itself, and that it is operating in an organized way and that the pressure is being kept up on the non-Albanian population in Kosovo.

Worrying, too, said Zarkovic, is the attitude on this taken by some information media, which, it appears, claim to be the avant garde in stirring up very problematical pressure on the LC, cadres, and organs in the province and the republic.

It is becoming increasingly clear that for complete success in stabilizing circumstances in Kosovo, a joint program by the provinces and the republics and Yugoslavia as a whole is needed to solve the problems there on a united Yugoslav basis.

Asked to comment on the disagreements in and on the federation and the fact that vital laws of this country are being passed with increasing difficulty in the SFRY Assembly, Vidoje Zarkovic stressed that disagreement and one-sidedness on and about the federation always comes about when the essential question is ignored of how much and by which channels working people, organized on the basis of self-management, have a practical influence on policy in our country.

There is absolutely nothing new, he said, in the fact that etatist bureaucracy in the republic, provinces, and the federation has strengthened. As a result, these sociopolitical communities are implementing their great legal authority, laid down in the Constitution, in the conduct of development policy, in determining vital conditions of economic activity, in the disposal of the funds of social reproduction, and in their intervention in income, to a great extent, in a way which has led and is leading to the restoration of state ownership monopoly over social resources and income. According to Zarkovic, this is the basic reason why integration of labor and resources continues to be paralyzed largely in the frameworks of republic and provincial borders.

The great and irreplaceable role of the republics as self-managing sociopolitical communities in our system and in our federal community has remained insufficiently developed. Thus, working people sometimes get the wrong impression about the republic which also leads to republic statehood and independence being mistakenly interpreted by one section of our public opinion as if it were virtually the source of all our ills. From such ideas individuals are drawing the wrong conclusion that the republics should be weakened as much as possible to strengthen the federation. Such views lead, de facto, to the recurrence of unitarist centralism which would, in one way or another, weaken the unity and cohesion of the Yugoslav community toward which we are striving.

Following the consistent logic of the Constitution, there is no contradiction between federal and republic interests. In these circumstance, Zarkovic recalled, reaching agreement is the normal democratic way of realizing and developing relations among equal nations and nationalities. If we are looking for reasons why these clear and very progressive principles in our Constitution are often distorted in practice, said Zarkovic, it should be seen which forces are formulating and representing republic, provincial, and common interests. If this were to be done by workers and working people in associated labor, organized on the bases of self-management, presumably these distortions would not have occurred or there would have been significantly less of them.

How, in your opinion, should the Socialist Republic of Serbia, and especially the Serbian LC be developed? was one of the questions.

It is true, replied Zarkovic, that the overall situation in the Socialist Republic of Serbia and the Serbian LC, with regard to relations between the republic and the provinces, or rather the Serbian LC and the Kosovo and Vojvodina LC's, is burdened by certain ideopolitical differences in the interpretation and implementation of the essence of constitutional and statutory guidelines. The bases of these differences are ideopolitical disagreements in the approach to questions of the unity of the Socialist Republic of Serbia, the content of this unity and togetherness, and the method for realizing it, the constitutional format of the SR of Serbia and the constitutional conception of the Socialist Autonomous Provinces [SAPs], which are within the SR of Serbia and, at the same time, a constituent element of our federation.

It is indisputable, Zarkovic stressed, that the expression of differences is demolishing the political and economic stability of the SR of Serbia, the SAP's of Kosovo and Vojvodina, and the whole Yugoslav community. Bearing this in mind, the LCY Central Committee Presidium, after many months of intensive activity, has adopted stances on the current questions of implementing relations on which are based the unity and togetherness of the SR of Serbia and the LC of Serbia. In these stances, which the LCY Central Committee later adopted, the duties and immediate tasks of the LC of Serbia and the LC's of Kosovo and Vojvodina for transcending present difficulties are quite clearly and concretely pointed out.

Replying to the question of what he thinks about the "hot" social problems, such as unemployment, the phenomena of nationalism, foreign debts, the position of the young generation and so on, Zarkovic recalled that the LCY Central Committee has already adopted clear stances on many of these questions and that the others will soon be on the agenda of its sessions. For this reason he only commented in principle on the question put to him. I believe, he said, that only idealists imagine a world without contradictions, problems, and conflicts. As Communists and Marxists, we are aware that our social development is full of contradictions, that in each stage in our development there were plenty of problems, and that there will be problems in the future, too.

However, what concerns us is that at this point in our development so many problems have accumulated that we can talk of an economic crisis and a crisis situation in society. In order to overcome this situation more quickly we must more rapidly and boldly solve the very acute contradiction between etatism and self-management in our production relations, naturally to the benefit of self-management. This is, said Zarkovic, that weak link which needs to be removed from the chain to accelerate solutions to a series of problems.

But even when we do this, we will still not be without problems nor can we dream of a society without difficulties and contradictions. Practice alone and development will throw up new problems. Our orientation must be to solve problems which are on the agenda as quickly as possible and in doing this being careful that our solutions do not create new problems as they have often done up to now.

The interview went on to cover preparations for the 13th LCY Congress and the expectations of this most important gathering of Yugoslav Communists. Precisely because, Zarkovic said, we are coming up to the congress greatly burdened with problems, severe contradictions, slow-downs, and certain distortions in the implementation of our goals and strategic decisions, working people and Communists are expecting a lot from the 13th Congress.

From the 13th Congress, Zarkovic added, decisiveness, courage, and knowledge is expected to uncover more intensively, with the help of Marxist principles and a communist principled manner, the causes of the existing contradictions, the economic crisis, the inefficiency of the system and, on the basis of this, come to the link which will pull the chain in the direction of economic, ideological, moral, and cadre--in a word socialist self-management--renewal and a more consistent development along this path.

Some matters regarding the preparations for the 13th LCY Congress were touched upon in the continuation of the interview.

Throughout the preparations for the congress and in the congress itself, the LCY will not reexamine the basid strategic tenets regarding its internal development and international policy which have been established under Tito's leadership. But at the same time this means that we must openly [otvoreno] and critically analyze the functioning of our economic and political system, our economic policy, our policy of development, the behavior of the LCY, and all other subjects in order to find out what has slowed down in our country's moving toward achieving our general tenets.

The fundamental imprint to the precongress preparations is provided and will be provided by the knowledge gained through general party discussions conducted concerning the 13th LCY Central Committee session. The demands and wishes of the Communists and working people expressed in that discussion have confirmed their unshakable loyalty to the LCY Program tenets and their dissatisfaction about the speed of overcoming the economic crisis, and have manifested the readiness of our working people to invest greater efforts in order to achieve the economic and political stability of our country, Vidoje Zarkovic said among other things.

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POLITICS YUGOSLAVIA

BRIEFS

DELEGATE ACCUSED OF TAKING BRIBES--The communal public prosecution office in Pristina has sent to the Assembly of the SR of Serbia a request for the lifting of a delegate's immunity so that it could start legal proceedings against Ahmet Dobrune, delegate to the Chamber of Municipalities of the Serbian Assembly from Glogovac, who as the director in charge of cadre questions in the Feronikal organizations is under suspicion of receiving bribes from some individuals in return for jobs. Dobruna is alleged to have received from some individuals worth DM4,530, 4,300, and 40,000 dinars for providing them with jobs in Feronikal. Thisis in fact why legal proceedings against Dobruna and six other individuals who were bribing him is demanded. They are as follows: Nazif Bujupi (aged 41) from the village of Orlabit and who is currently under arrest, Malic Thaci (aged 33) and Sabit Thaci (aged [number indistinct]), from the village Lepusnik, Saban Bujupi (aged 41) from Orlat, Nazir Salja (aged 36) from Vucak, and Izet Bahtiu (aged 41) from Nekovac. [Text] [Belgrade BORBA in Serbo-Croatian 20 Feb 86 p 3 AU] /6662

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East Europe Report

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NEW DEPUTY MINISTER OF AGRICULTURE DOBOCZKY INTERVIEWED

Budapest HETI VILAGGAZDASAG in Hungarian No 46, Nov 85 p 57

[Biography of and interview with Istvan Doboczky, new Deputy Minister of Agriculture and Food Industry; date and place not specified]

[Text] Istvan Doboczky, named a few days ago as Deputy Minister in the Ministry of Agricultue and Food Industry from his post as the Hungarian agricultural attache in Washington, was born in Abadszalok on January 10, 1928. He attended elementary and junior high school in Torokszentmiklos, and in 1943 he enrolled at the secondary school of commerce in Eger. In 1945 he did not continue his studies but rather went to work: he became a newspaper deliveryman and then a newspaper distributor. Later, in addition to his job, he attended the high school for workers in Torokszentmiklos. For a short time in 1949, following his graduation from high school, he found a position at the Kobanya Public Project (Construction) Enterprise and then became a clerk at the State Agricultural Engine Plants. He completed studies to become a clerk, and at Gyomro he became the head bookkeeper at the local Agricultural Machine and Tractor Station.

He taught at the Kecskemet agrarian academy's bookkeeping department for agricultural machine and tractor stations, and he instructed those head bookkeepers who were employed at agricultural machine and tractor stations. After 1954 he first had a position at the Cegled Machine and Tractor Station and then at the one in Szolnok; at both places he was employed as head bookkeeper. In the meantime he completed law school, but his ambition drove him on; he acquired training to be certified as an accountant and price expert.

In 1968 he came to Budapest to work in the economic main department of the Ministry of Agriculture and Food Industry. Here he first worked as a price expert; by 1975 he had been promoted to director of the price and income department. 1975 was a big turning point in his life: they sought him out and asked if he would like to transfer to the secretariat working with the Council of Ministers, as Deputy Prime Minister Ferenc Havasi's agricultural expert. He said yes. He worked in this capacity until the beginning of 1981 when he went to Washington as agricultural attache, holding that post until the summer of 1985 when he was named deputy minister. His hobbies are hiking and hunting. He is a member of the ministry's hunting club.

[Question] Did you receive the news officially or from another source?

[Answer] Directly from the minister. He informed me that they were counting on me for this post.

[Question] Were you surprised?

[Answer] No, because I knew that they regarded me as one of the leading cadres in agriculture, and I also knew that there was a need for me at home.

[Question] You gave up your post as the agricultural attache in Washington for the position of deputy minister. What is it that you learned over there that you might be able to utilize in your new office?

[Answer] Perhaps that a lot depends on personal contacts and that here at home there is also a need to build and cultivate contacts. I had witnessed the advance of biotechnology in agriculture, as well as the penetration of computerization into this area. I learned first-hand how much this field can profit from quickly utilizing the results of scientific advances. Without a doubt, any hesitation on our part could mean that we will irreversibly fall behind.

[Question] As an attache, what did you do so that this would not happen?

[Answer] I tried to provide support for the development of Hungarian biotechnology, in a manner that would point toward the right direction. I tried to create liaison between the research centers abroad and Hungarian universities, to promote travel abroad of Hungarian experts. There is an agreement in effect between the pertinent ministries in Hungary and the United States, on the basis of which opportunities arise for the exchange of experts. As a result of my efforts I was able to achieve that today more people are able to travel abroad to exchange experiences, and not just for one or two weeks as it was years ago.

[Question] To what degree did your view of Hungarian agriculture change during your Washington stay?

[Answer] I quickly became conscious of the fact that we have fallen behind in several areas. For example, we do not have the requisite infrastructure which would support agriculture. In the United States one can dial Hungary from any out of the way sheep-farm, or one can make arrangements to have a disabled tractor's part replaced within hours.

[Question] What is the job of an agricultural attache?

[Answer] I should start with the fact that this post is a Foreign Ministry appointment. The attache works at the embassy, under the supervision and guidance of the ambassador. His job is to provide the Ministry of Agriculture and Food Industry with information, to nurture scientific-technological contacts which promote agricultural development. At this time, such posts exist in five locations, at our embassies in Moscow, Bonn, Copenhagen, and Washington, and at the FAO headquarters in Rome.

[Question] As deputy minister, what area of competence has been assigned to you?

[Answer] I am responsible for the international economic contacts of Hungary's agriculture, and for overseeing operations from the point of view of legality.

[Question] Didn't you ever think about directing a large state farm one day?

[Answer] For many years I was the head bookkeeper at several large agricultural machinery repair stations; at that time, I had no desire to obtain higher positions.

[Question] Of which of your personal abilities are you the proudest?

[Answer] They say that my ability to make contacts is good.

[Question] And what fault do you recognize in yourself?

[Answer] I am not meticulous, so I always have to have a good secretary who can keep my papers and notes in order.

[Question] From whom have you learned the most?

[Answer] From the Deputy Prime Minister in the secretariat of the Council of Ministers who chose me to work with him. I learned from him how to deal with people. While there, I never felt myself in "an ivory tower."

[Question] Do you regard yourself as ambitious?

[Answer] The truth is, I never thought that one day I would be a deputy minister. Of course, I wanted to better myself, but who doesn't? But even as a beginner, and later too, I always tried to do my best.

[Question] In your career, how much can you attribute to your own abilities and how much to luck?

[Answer] I was always lucky, because even without a real patron, and without any special effort to seek out new positions, I have always received the type of assignments I found appealing.

[Question] Whom do you blame if agriculture ends up with a year below expectations?

[Answer] As a rule, the weather. Fortunately, Hungarian agriculture has by today reached the point that it can moderate such a negative influence.

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CAUSES FOR DECLINE IN FARM PRODUCTION ANALYZED

Belgrade NEDELJNE INFORMATIVNE NOVINE in Serbo-Croatian 1 Dec 85 pp 16-17

[Article by Scepan Rabrenovic: "Politics as a Natural Disaster"]

[Text] When at a recently held session of the Council of Republics and Provinces of the Assembly of Yugoslavia, Vojvodina delegate Nikola Srezentic stated that the fall plantings were late and that not as many hectares as planned would be sown, Janez Zemljaric, the Vice President of the federal government, and Milorad Stanojevic, the chairman of the Federal Committee for Agriculture disagreed with him. They both asserted that "there is no reason why the plan for sowing should not be carried out."

Only a few days later, it turned out that delegate Kmezic [as published] was nevertheless correct: according to the latest data, about 1,100,000 hectares were sown with wheat this fall, i.e., about 350,000 hectares less than planned. There is no time left to do anything.

Two Catastrophic Years

Now, one can already state with confidence that next year we will be eating bread from imported grain. Not just because fewer hectares were sown, however. That is the last reason, since even with the hectares sown it would be possible to produce about 6 million tons of wheat (the genetic potential of the strain is even higher), but one can estimate with certainty that next year the harvest yield will be even lower than it was this year. The proof -- even in the grain-growing regions of Serbia, this year peasants plowed their land wth plows drawn by cows and oxen, and only a few of them sowed their fields with high-quality seed. They virtually did not even use mineral fertilizers.

The "return" of cows and oxen to the fields can be explained most convincingly by the situation that agriculture has been in for the last two years. At the above-mentioned session of the Council of Republics and Provinces, Nikola Kmezic described last year's situation as follows: "The prices of agricultural products grew at a rate of 44 percent, the prices of industrial products at a rate of 82 percent, and the prices of industrial products that represent inputs for agriculture, at a rate of 87.5 percent. In the same year, the prices of oil derivatives, which have a decisive influence upon the use of modern agricultural equipment in agricultural production, were increased by

108 percent, the prices of chemical products for agriculture grew by 113 percent, and the prices of artificial fertilizers by 129 percent. In the same year, the prices of agricultural machines grew by 74 percent."

Agriculture's situation this year was described by Milorad Stanojevic, the chairman of the Federal Committee for Agriculture, at the session of the Council of Republics and Provinces: "The prices of agricultural products grew by 47 percent, while the prices of producer goods of industrial origin for agricultural grew by 62 percent. Labor organizations in the area of agriculture have only 9 percent of their own funds available."

This is the explanation of why this year interest amounted to 19.5 percent of income in the economy, 26.5 percent in industry, and 71.8 percent in agriculture, and of why the losses in agriculture are five times larger than in industry.

Interest did not have such a disruptive effect upon agriculture just because of the slower growth in the prices of agricultural products, but also primarily because of the longer production cycle in this branch of the economy.

If one knows all of this, then it is not surprising that farmers are "introducing" cows and oxen into the fields again, that they are sowing mercantile wheat, and that they are not using mineral fertilizers. The costs of plowing and sowing one hectare by mechanical means exceed 15,000 dinars. Last summer, for example, for the money obtained by selling a calf, it would have been possible to buy 250 kilograms of mineral fertilizers and 10 kilograms of seed corn.

Unconvincing Explanation

The Federal Executive Council explains the 9 percent decline in agricultural production this year as a result of the frost last spring and the drought this summer. (It was calculated that the total damages from this amount to about 130 billion dinars, or $140 million).

The question, however, is how convincing this explanation can be, since if other terms, agrotechnological ones, had also been taken into account in the harvest along with the optimum ones, neither the frost nor the drought could have done as much damage. The drought and the frost only finished off everything that had not been done as it should have. This is the reason for the assertion that the greatest natural disaster that happened to agriculture is actually the official economic policy. And this disaster has been continuing for two full years now, with some chances of being continued longer, since no one knows of any attempt whatsoever to change the attitude toward agriculture. (If it exists, the public has so far not been informed about it.) This is naturally under the condition that "change" does not mean the 8 percent planned growth rate for agricultural production next year. If there really has been no consideration of any major changes that would alter the position of agriculture, this also indicates that agricultural production, even if increased by that much, would be 1 percent lower than the level of production last year.

In effect, this means that the planners have more confidence in circumstances of time than they do in a well-planned agrarian policy.

The Long-Term Economic Stabilization Program says that on the whole the status of this branch of the economy should be changed, so that food producers, like the rest of the producers in the country, would have the right to decide independently about the way in which income is obtained and distributed, and that the value of agricultural production should be established mainly by the market.

Agriculture is still predominantly "in debt for supplies," but that status is imposed on it from outside, primarily through the "agreements" among the republics and provinces. Since the republics and provinces do not all have equal conditions for the production of food, the prices, after strong tensions, are always adopted late. But as early as the sowing it should be known how much will be harvested, just as it should be known how much a cow will be milked in five years if a heifer is bought now.

Agriculture has not even had equal status with the other branches of the economy with respect to foreign economic relations, and so it has been harmed there as well. The majority of agricultural products are still covered by permits. Here is what happened last fall, for instance: during the harvest, the price of corn on the world market was $147 per ton, so the farmers asked for approval to export it. They did not receive the approval then, but rather later, when the price of corn on the world market had fallen to $105 per ton, and so $30 million was lost in exporting the same amount. The loss is even greater if one is aware that a considerable amount of corn "spoiled" in the silos, so that the livestock industry also lost it.

Who Will Become One of the Losers?

Certainly the slower growth of the prices of agricultural products was also influenced by the fact that the purchasers had become poorer (there were no shortages, even though production had been considerable reduced), but how can one explain the fact that for two full years no one even tried to close the price scissors that had been opened to the detriment of agriculture? It would have been natural for an emergency situation to be proclaimed in this branch of the economy at the end of last year, but it has not been proclaimed even now. This was probably because of a belief that not everyone in the country bears the consequences of agriculture's position equally. (On the basis of agricultural prices alone, an enormous income flowed from the agricultural regions to the nonagricultural ones, and with respect to Vojvodina, it can be stated with certainty that this province had already paid its contribution to the undeveloped regions through lower prices for agricultural products.)

Milorad Stanojevic, the chairman of the Federal Committee for Agriculture, justified himself at the session of the Council of Republics and Provinces by saying that development policy in the area of agriculture was under the jurisdiction of the republics and provinces, and that "as a rule, lower investments than necessary are planned, and as a rule, only half of that is carried out."

How can one go into a branch of the economy that "produces" only losses? It is the responsibility of the federal government to use various measures to create conditions in which it will pay to invest in the production of food. But this has not been done. And not just this.

The consequence of such a total negligence toward agriculture, in which credit-monetary policy should also be included, is that we have turned a branch of the economy that should have been a stabilizing factor into a branch of the economy that is destabilizing an already serious economic and social situation.

And no one seems to care.

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BUDGET MANAGEMENT IN 1984 EVALUATED

Prague FINANCE A UVER in Czech No 7, 1985 pp 433-442

[Article by Eng Belo Bosak, candidate for doctor of science, director of state budget division of Federal Ministry of Finance: "Budget Management in 1984"]

[Text] On the whole we can put a positive evaluation on the next to last year of the implementation of the economic and social policy objectives that were established by the 16th CPCZ Congress for the Seventh 5-Year Plan for national economic development. In his speech on the 12th Plenum of the CPCZ Central Committee Comrade Gustav Husak stated: "The reason for evaluating our performance as positive is that planned targets have been exceeded, domestic and foreign economic equlibrium have been enhanced, hard currency indebtedness has been further reduced, cooperation has been expanded with the Soviet Union and other socialist countries, records have been set in agriculture, initial steps have been taken to reduce raw material and energy intensiveness and, last but not least, the domestic market has been well supplied, especially with food. This has set the groundwork for the fulfillment and in some cases the overfulfillment of the tasks for the Seventh 5-Year Plan."

Certain fundamental positive trends of 1983 continued and were enhanced in 1984. In particular there was a further increase in the economic growth rate, largely as a consequence of the implementation of resolutions of the 10th CPCZ Central Committee Plenum which the CSSR Government had incorporated in an updated state plan and in the priority tasks that were set in order to exceed previous plan indicators. Increased material and financial resource formation was related to the overfulfillment of planned tasks in critical branches of the national economy, and was accompanied by an increase in efficiency.

Gross national product in adjusted 1977 prices increased last year, according to preliminary data, by 3.2 percent over 1983; it was almost Kcs 5 billion higher than projected by the plan. At the same time industrial production increased by 4 percent (the plan projected a 2.5 percent increase), the volume of construction work by 1.9 percent (the plan had projected 0.7 percent), and gross agricultural output increased by 3.6 percent, thus achieving an increase of 6.9 percent over plan projections for this branch. Overall, this increase in the rate of material resource formation was achieved with lower standard consumption of fuels, raw materials and subassemblies, and we were successful in further reducing transportation intensiveness. All of the above amount to the successful fulfillment of the resolutions of the 10th CPCZ Central Committee Plenum.

Labor productivity increased in 1984 at a faster rate than in the preceding years of the Seventh 5-Year Plan. This increase, however, was accounted for mainly by faster than projected increases in the capital asset per worker ratio. The long term trend of reduced efficiency of capital assets continued. This means that the potential inherent in investments made in previous years continues to be underutilized. The same is true of inventories, another area to which we have committed significant resources.

The above facts and other negative phenomena that have carried over from previous years of economic development and plan fulfillment and which continue to hold back the achievement of greater efficiency simply mean that 1984 performance, while on the whole positive, should not be overestimated.

A key issue remains the consistent introduction of R&D findings into the entire process of planning and national economic management so that the accelerated intensification of development both overall and in specific areas of capital replacement can proceed at a pace appropriate to current requirements. The increase in technical-economic paramaters, quality, and the use values of production assets and consumer goods that is vitally necessary for our economy can be achieved only in this way.

The sophistication of foreign markets is growing, along with political discrimination and protectionist measures in capitalist countries, depending on how the crisis affects their economies. Commercial relations are also affected by changes in credit conditions, high interest rates, fluctuations in exchange rates, changes in world prices, etc. Under such conditions it is possible to export, without losses to the national economy, only state of the art products in both appearance and specifications. These products must also be serviced. Achieving an increase in innovational activity and the ability to adapt on the part of production and trade organizations that could lead to greater value added to the work of our society remains a problem that will have to be addressed in the future with much more emphasis than to date.

More rapid national economic development and the improved utilization of intensification factors is being retarded by certain deviations from planned objectives, inconsistency in task fulfillment, and the failure to make use of existing reserves. In addition to objective influences one cannot overlook the fact that subjective influences have an impact as well. These include shortcomings in the work of certain organizations, which so far have not been able to deal with the more rigorous economic conditions of the current phase of national economic development. Their performance, their low level of economic efficiency, combine to reduce overall achieved performance.

Even with these drags on performance the overall record of these enterprises is promising. Performance in 1984 was characterized by a strengthening of positive trends in the direction of fulfilling the tasks for the Seventh 5-Year Plan and the formation of relatively positive preconditions for a successful start in the Eighth 5-Year Plan.

Financial and budgetary policy in 1984 was aimed at assuring and facilitating the fulfillment of tasks of economic and social development, and especially those related to increasing efficiency, improving economic equilibrium, and assuring the standard of living of the general public.

National economic results and the conditions under which economic development occurred are reflected in the results of budget management in 1984.

The following results were obtained related to increasing the efficiency of production:

--on an adjusted basis the profits of economic entities increased by Kcs 16.1 billion, i.e. by 14.1 percent; in the domestic economy 74.6 percent of this increase in profits could be accounted for by decreased costs and 25.4 percent by an increase in revenues;

--total costs (exclusive of foreign trade) were 90.93 percent of revenues, which was 0.53 points lower than projected by the plan; at the same time materials costs were 0.58 points lower than projected in the plan;

--because of the above factors return on investment was 11.41 percent in 1984, or 0.88 points higher than planned; return on capital assets was 5.70 percent (0.63 points higher than planned) and return on adjusted value added was 29.41 percent (1.80 points higher than planned);

--the final balance in the relations of state economic organizations to the state budget, excluding sales taxes and domestic market differences, was Kcs 87.1 billion in 1984. The budget was underspent by Kcs 2.9 billion economic mechanisms of factory organizations [ZO]; the target balance for the domestic economy was exceeded by Kcs 3.1 billion;

--inventory turnover time in industry and construction was shortened by 4.5 days (the plan projected a reduction of 3.4 days);

--total state organization demand for financing capital construction reached Kcs 162.58 billion, which was Kcs 19.96 billion higher than planned; the state budget covered 22.5 percent of this demand, or Kcs 36.66 billion;

--noninvestment expenditures for R&D amounted to Kcs 17.7 billion, or Kcs 0.4 billion less than budgeted. The state budget financed Kcs 7.6 billion of these expenditures, or 5.7 percent more than in 1983;

--foreign financial relationships ran in the black, and we further reduced our foreign indebtedness; this was accomplished by increasing exports while decreasing imports. Exchange relations with our foreign partners worsened during the year.

The record in implementing financial and budgetary policy related to the standard of living was as follows:

--noninvestment expenditures on public services and amenities for the general public were Kcs 154.3 billion in 1984, or about 2.9 percent higher than in 1983; on a per capita basis the figure was Kcs 9,850, which was Kcs 264 higher than the previous year;

--the above figures include 1984 expenditures for social security of Kcs 82.8 billion (up 2.5 percent from 1983), Kcs 25.7 billion on education (a 3.5 increase), Kcs 24.1 billion on health care (an increase of 4.6 percent), and expenditures on culture of Kcs 4.8 billion (a 1.9 percent increase over 1983);

--public assistance to families with children (i.e. monetary assistance for child raising, equalizing contributions, childbirth support, allowances for children and a maternity contribution) amounted to Kcs 17.4 billion; when other forms of assistance available as monetary, merchandise, and other discounts total outlays in this area were Kcs 36.5 billion. These amounts are levelling off because of an ongoing decline in birth rates;

--state budget expenditures for housing construction and maintenance were Kcs 26.9 billion, which exceeded the budget by Kcs 0.7 billion (this overage came about because of excessive expenditures for housing construction);

--total nominal monetary incomes of the general population were Kcs 403.7 billion, an increase of 2.6 percent over 1983 (wage incomes increased by 2.4 percent and social security incomes by 2.2 percent). Taxes on wages increased from 17.4 percent to 17.5 percent in 1984;

--total savings increased to Kcs 205.0 billion, which is Kcs 0.5 billion more than planned; on a per capita basis this amounts to average deposits of Kcs 13,300; new loans were made in the amount of Kcs 10.3 billion, increasing the total loans outstanding to Kcs 36.8 billion.

Analyses indicate that the positive 1984 performances figures resulted to a significant extent from the implementation of the Set of Measures. These studies also show, however, that to increase efficiency and implement the strategic objectives of economic policy it is essential substantially to increase efforts to assure in a comprehensive way the shift to an intensive form of economic growth.

Performance in State Budget and National Committee Budget Goal and Task Fulfillment

In line with the positive performance in state budget management in the recent years of the Seventh 5-Year Plan, the 1984 state budget also pursued the goal of operating a balanced budget and generating the financial resources needed to assure the future development of our entire society. The achievement of these objectives has in the past been predicated on further increases in our economic efficiency, on the thorough implementation of the principles adopted in the efficiency enhancement program for the Seventh 5-Year Plan, as well as on the discovery and exploitation of underutilized capacity in individual sectors of financial management.

State budget management in 1984 reflected all of the positive as well as negative phenomena that had an impact on the economy during the year and which had to be dealt with. Nevertheless it may be stated that the fundamental task, i.e. the achievement of a balanced budget throughout the CSSR budgetary system, was achieved and that the performance in state budget management contributed to the further improvement of our economy. Among the most positive results was the exceeding of planned tasks by economic organizations. This was reflected in an increase in the share of the economic sphere in national economic resource formation and in higher revenues for the state budgets. The balance in the relations between economic organizations and the state budget increased by Kcs 9.8 billion over 1983.

State budget and national committee budget management finished the year with revenues exceeding expenditures by some Kcs 1.6 billion. This represents a further contribution to fulfilling the objectives of the Seventh 5-Year Plan in the area of financial and budgetary policy and national economic resource formation.

Table 1 presents the overall results of management in 1984.

Table 2 presents the overall relationships between the state budgets in the CSSR for 1984.

In line with the objective of improving planned management an integrational and coordinating function has been introduced for the state budget of the Czechoslovak ederation within our budgetary system. Revenues of the state budget of the Czechoslovak Federation accounted for 64.9 percent of the total revenues of all three state budgets, while its direct expenditures were only 20.9 percent of the total. Most of the expenditures of the state budget of the Czechoslovak Federation (67.8 percent) were in the form of subsidies to the republic budgets. As in previous years in 1984 these subsidies were in the aggregate granted to the republics in the planned amounts with a view to their requirements in the area of economic instruments for foreign trade. Special purpose subsidy targets for the state budgets of the republics were fulfilled by 103.7 percent, and aggregate subsidy targets by 96.9 percent. Special purpose subsidy targets were exceeded in two primary areas: selected price subsidies related to rating mechanisms in agriculture that are tied to the fulfillment of material indicators; and selected investment projects, primarily related to comprehensive housing construction.

Budget management activities of national committees finished the year with a surplus of Kcs 1.54 billion. This overage has already been reduced by deposits of supplementary revenues in excess of the plan (Kcs 1.63 billion) and adjusted upward by the payment of taxes on agricultural profits (Kcs 0.78 billion).

In view of this budgetary surplus and remaining balances in contingency funds and development funds of national committees as of 31 December 1984 (a total of Kcs 1.189 billion), and after aggregating supplementary revenues and prior to closing out the financial records for 1984, the available resources in contingency and development funds amounted to Kcs 4.363 billion; in addition, the national committees have available as of 1 January 1985, in associated resource accounts, a nationwide sum of Kcs 1.158 billion (Kcs 984 million in the CSR and Kcs 534 million in the SSR).

The above resources, combined with the formation of other supplementary resources in 1985 constitute the most necessary resources for achieving the objectives of Project Z and to support the development of local initiatives by national committees.

Table 1. (in billions of korunas)

	Budget 1984	Actual 1984	Difference	Fulfillment (%)	Increase 84-83	Index 84/83
Revenues:						
- State budget	289.87	293.97	+ 4.10	101.4	+16.73	106.0
- National committee budgets[a]	42.93	49.83	+ 6.90	116.1	+ 2.94	106.3
- Total	332.80	343.80	+11.00	103.3	+19.67	106.1
Expenditures:						
- State budget[a]	220.57	222.38	+ 1.81	100.8	+ 8.78	104.1
- National committee budgets	112.23	119.82	+ 7.59	106.8	+ 9.53	108.6
- Total	332.80	342.20	+ 9.40	102.8	+18.31	105.7
Surplus:						
- State budgets	-	0.06	+ 0.06	x	- 0.03	x
- National committee budgets	-	1.54	+ 1.54	x	+ 1.39	x

a) Exclusive of subsidies and national committee subventions

Table 2. (in billions of korunas)

	CSSR			CSR			SSR		
	Actual 1984	Fulfillment (%)	Index 84/83	Actual 1984	Fulfillment (%)	Index 84/83	Actual 1984	Fulfillment (%)	Index 84/83
State budget revenues direct	190.76	99.9	111.1	74.94	103.6	98.4	28.27	106.4	96.4
Subsidies from federal budget	-	-	-	75.64	100.0	113.7	53.68	100.0	110.8
State budget revenues total	190.76	99.9	111.1	150.58	101.8	105.5	81.95	102.1	105.4
Direct state budget expenditures	61.40	99.6	108.3	101.06	101.0	102.0	59.92	101.8	103.7
Subsidies to republic state budgets	129.32	100.0	112.5	-	-	-	-	-	-
Subsidies to national committee budgets	-	-	-	49.51	103.3	113.6	22.02	102.9	110.3
Total state budget expenditures	190.72	99.9	111.1	150.57	101.8	105.5	81.94	102.1	105.4
State budget surplus	0.04	x	x	0.01	x	x	0.01	x	x

One of the most effective mechanisms used by national committees to carry out successfully the tasks mandated to them by election programs in Project Z. National committees have expended a total of Kcs 3.51 billion on this program (Kcs 2.43 billion in the CSR, 1.08 billion in the SSR). Completed investment projects related to this program are valued at Kcs 4.27 billion (Kcs 2.89 billion in the CSR and Kcs 1.38 billion in the SSR).

Table 3 lists examples of important projects completed under Project Z in 1984.

Financial Performance of Economic Organizations

In 1984 economic organizations greatly overfulfilled planned tasks in both quantitative and critical qualitative indicators. In comparison with previous years their growth rate increased at the same time that costs were being cut more rapidly. The results are presented in Table 4.

Planned profit targets were exceeded by Kcs 11.3 billion. This result was influenced to some extent by inaccuracies in the estimated actual 1983 levels (which was underestimated by Kcs 4.6 billion) which was used as the basis for setting plan tasks for 1984.

In Resolution No 120, dated 10 May 1984 the CSSR Government established priority tasks aimed at exceeding state plan indicators for 1984. These tasks were broken down by supervisory agencies and specific tasks assigned to individual organizations. In line with this goal the priority program for the output and adjusted value added indicators was fulfilled by 101.5 percent. These priority tasks made it possible to exceed planned profit targets by Kcs 6.9 billion (while there was no specific priority task set for profits, the plan would have been exceeded by 103.5 percent).

Profits had already begun to increase rapidly in 1983 (the 1983/1982 index was 112.8 percent). This was made possible mainly by intense efforts to reduce materials costs and to renew the growth of the national economy, with a consequent positive influence on reducing other types of costs. These factors had an even more significant impact in 1984, and this became evident in an even better growth rate for profits (the 1984/1983 index was 114.1 percent). Such a rate of increase in profits was unprecedented in this or any previous 5-year plan, as shown in Table 5.

The factors affecting the achieved year to year increase in profits are listed in Table 6.

Even when foreign trade and exceptional yields are excluded from the calculations the increase in profits for the domestic economy was high, with the 1984/1983 index at 113.1 percent. A critical factor was a decrease in total costs of Kcs 9.9 billion the greatest percentage reduction (0.86 percent) of the Sixth and Seventh 5-Year Plans.

Total costs as a percentage of outputs were 0.53 points lower than projected by the plan. This represents profit formation of Kcs 6.7 billion in excess of the plan. Plan tasks were filfilled for all major costs categories with the exception of the financial.

Table 3.

Type of facility		CSSR	CSR	SSR
Day care center	Number of buildings	22	5	17
	Classrooms	39	12	27
	Places	842	225	617
Kindergartens	Number of buildings	150	75	75
	Classrooms	335	169	166
	Places	9,901	2,811	270
Elementary schools	Number of buildings	20	18	2
	Classrooms	96	87	9
	Places	3,081	2,811	270
School cafeterias	Number of cafeterias	21	19	2
	Places	3,002	2,492	510
Health care centers	Number of centers	34	30	4
	Divisions	110	93	17
Social Security facility	Number of facilities	28	19	9
	Places	719	407	312
Public homes	Number of homes	39	20	19
	Seats	11,566	5,741	5,825
Water mains	Number of kilometers	729.5	562.9	166.7
Sewerage systems	Number of kilometers	198.0	174.4	23.6
	Holding tanks	63	57	6
Reservoirs	Cubic meters of water	497,403	493,793	3,610

Table 4. (in billions of korunas)

	CSSR TOTAL						
	Plan 1984		Actual 1984	3-2	3/2 as Percent	Increase 84-83	Index 84/83
	Approved	Changed					
	1	2	3	4	5	6	7
Output	1,233.23	1,233.66	1,254.27	20.61	101.7	40.48	103.3
Adjusted value added	431.53	430.23	442.47	12.24	102.8	23.29	105.6
Total costs	1,126.12	1,128.34	1,140.52	12.18	101.1	27.27	102.4
Profit	120.71	118.81	130.11	11.30	109.5	16.06	114.1

Table 5. (in percent)

CSSR total	Average for Sixth 5-Year Plan	1981	1982	1983	1984
Year to year growth indexes					
Output	104.7	101.9	100.6	102.7	103.3
Profits	108.2	109.1	103.7	112.8	114.1
Year to year percentage cost reductions					
Total costs	- 0.32	- 0.79	- 0.32	- 0.82	- 0.86
Material costs (excluding depreciation) and services	- 0.52	- 1.55	- 1.45	- 1.19	- 1.23

Table 6.

CSSR Total	Plan 1984		Actual 1984		3-1
	billion Kcs	%	billion Kcs	%	billion-Kcs
	1	2	3	4	5
Total increase in profits	4.76		16.06		11.30
Including:					
- from foreign trade	0.50		2.57		2.07
- from exceptional yields	-0.52		0.28		0.80
- from domestic economy	4.78	100.0	13.21	100.0	8.43
Including:					
- from increased output	1.64	34.3	3.35	25.4	1.71
- from reduced costs	3.14	65.7	9.86	74.6	6.72

Materials costs (excluding depreciation) and nonmaterial services also significantly influenced the development and fulfillment of the profit plan for 1984. This intensification factor is directly related to the implementation of the Set of Measures (incentives for improving adjusted value added). In comparison with the previous year materials costs declined by Kcs 10.1 billion (materials consumption by Kcs 6.7 billion and fuel and power consumption by Kcs 4.4 billion, while other costs of a material nature and costs of nonmaterial services increased moderately). Materials costs as a percentage of output were 0.58 points lower than set by the plan, with the savings amounting to Kcs 7.4 billion. The priority task for this indicator was set at 64.75 percent, while the actual performance was 0.18 points better.

The negative impact of a rapid increase in capital asset depreciation (a 1984/1983 index of 105.3 percent) on the evolution of the overall cost structure further declined in 1984 in conjunction with the increased growth rate of output. In comparison with the previous year these costs increased by Kcs 1.2 billion. Depreciation as a percentage of outputs was 0.06 percent lower than set by the plan, with realized savings of Kcs 0.8 billion.

Wage costs increased more rapidly in 1984 than projected by the plan (1984/1983 index of 101.4 in the plan, while actual index was 102.4 percent). This amounted to an increase in total wage volume of Kcs 1.8 billion. In relation to the achieved increases in output, the cost structure, and profit formation this increase in wages was a positive phenomenon. Wage costs declined by 0.87 percent as a percentage of output (in 1983 the figure had been only 0.52 percent, while in 1981-1982 the percentage has actually increased), with the relative reduction amounting to Kcs 1.5 billion. Wages as a percentage of output were 0.09 points lower than projected by the plan. This represented relative savings of Kcs 1.1 billion. Likewise the percentage of wages in adjusted value added (39.6 percent) was better than projected by the plan (40.3 percent).

Financial costs in 1984 increased, even though the plan had projected a reduction (actual 1984/1983 index was 104.0 while projected had been 99.2). This represented an increase from the previous year of Kcs 0.6 billion. The planned level for financing costs as a percentage output was exceeded by 0.22 percent, which amounted to Kcs 2.8 billion. The main reason for this poor performance were increased costs caused by shortfalls, damages, fines and penalties. Costs for such items increased in comparison with the previous year by Kcs 0.8 billion. The plan does not factor in these costs, but they nevertheless exert their full weight on plan fulfillment (in 1984 these costs totaled Kcs 2.3 billion). The impact of other components of financial costs largely offset each other, both in terms of development and in relation to the plan.

By all measures of profitability 1984 was a significantly better year than projected by the plan. The return on investment target was exceeded by 0.88 percent, return on adjusted value added target by 1.80 percent, and the return on capital asset target by 0.63 percent.

We did not succeed in fulfilling plan objectives comprehensively in inventory development and utilization (including priority tasks). Certain positive trends, however, continued to be evident in inventory management, resulting in further reductions in inventory increases and improved inventory utilization in comparison with the previous years of the 5-year plan.

The following trends were evident in inventory development in 1984:

--improved inventory management in industrial and construction organizations, including both an absolute reduction in inventory increases from previous years as well as improved inventory utilization, i.e. a speeding up of inventory turnover time in days;

--greater increases in inventories in agriculture and food organizations made possible by better harvest performance than projected by the plan;

--improved inventory growth in domestic trade, which partially contributed to the improved satisfaction of consumer demand;

--improved inventory growth in fuels resulting from positive mining results and desirable levels of pre-deadline deliveries.

Inventory during last year also showed the results of certain measures, especially the implementation of Federal Finance Ministry Decree No 37/1983, concerning invoicing and payments for deliveries for capital investment projects (with a planned impact of increasing inventories by Kcs 11.6 billion), the implementation of CSSR Government Resolution No 226/1983 regarding the assurance of smooth nuclear power plant construction (pre-deadline deliveries became evident in the plan as an increase of Kcs 0.3 billion), and the establishment of priority tasks in industrial and construction organizations (aimed at reducing inventories by Kcs 4.2 billion below the levels approved in the plan), and a program based on the weeding out of unutilized inventories.

Despite the fact that industrial organizations were unsuccessful in fulfilling their priority task (organizations of the Construction Ministry fulfilled theirs) and that these organizations overall exceeded planned inventory targets by some Kcs 5 billion, the above mentioned measures were instrumental in assuring that inventory increases in industry amounted only to Kcs 0.3 billion (they had been Kcs 1.6 billion in 1983).

A number of organizations in industry and construction, despite several favorable trends, failed to take advantage of all the possibilities for reducing the inventory availability requirements for the capital replacement process. In particular there has been little success in limiting the formation of new inventories while simultaneously making use of inventories accumulated in previous years. The plan projected the utilization of inventory reserves from previous years in the amount of Kcs 4 billion while building up inventories of items essential to the meeting of production targets in the amount of Kcs 3.8 billion. The established priority task required the further utilization of inventory reserves in the amount of Kcs 4.2 billion. In fact during 1984 Kcs 6.5 billion in inventories from previous years was used. This was offset, however, by the formation of new inventories in the amount of Kcs 6.9 billion.

Development of Public Services Consumption

The goals and objectives of expenditures on public services and amenities for the general public were successfully fulfilled in 1984, as shown in Table 7.

Comparisons with the performance of the previous year is to a certain extent distorted by the recalculation of wholesale prices valid as of 1 January 1984. In adjusted terms (after subtracting the price influences of 1984) noninvestment expenditures for public services and amenities increase by 2.9 percent over 1983, which amounts to an absolute growth of Kcs 4.32 billion. Investment expenditures transferred to the comparable price level declined by Kcs 0.92 billion in comparison with 1983 figures. The increase in overall expenditures on public services and amenities for the general public, expressed in an adjusted form, amounted to Kcs 3.40 billion, or 2.1 percent.

Table 7. (in billions of korunas)

	CSSR					
	Budget 1984	Actual 1984	Difference	Fulfillment %	Growth 84-83	Index 84/83
Noninvestment expenditures by budget-supported and self-supported organizations Total	152.02	154.34	+2.32	101.5	+6.56	104.4
Including: CSSR	1.02	0.90	-0.12	88.2	+0.17	123.3
CSR	102.36	103.95	+1.59	101.6	+4.19	104.2
SSR	48.64	49.49	+0.85	101.7	+2.20	104.7
Investment expenditures	15.07	15.70	+0.63	104.2	+0.70	104.7
Expenditures on public services and amenities for general public[a]	167.09	170.04	+2.95	101.8	+7.26	104.5
a) excluding Project Z						

The development of expenditures in the area of public consumption captures better than the absolute data the figure for "per capita noninvestment expenditures on public services and amenities for the general public." This figure increased by some Kcs 264 (102.8 percent) over the 1983 figure and reached Kcs 9,850.

The substantial resources expended for public services and amenities for the general population--these expenditures represent 49.7 percent of total budget expenditures--provided in 1984 for the implementation of demanding tasks in the area of social security, health care, education, cooperative housing construction, objectives in the area of culture and the activities of public organizations.

The successful fulfillment of planned tasks was, as in previous years, implemented through the use of special purpose and other resources transferred from the state budgets of the republics to national committee budgets during the course of the year and through the mobilization of internal, supplementary resources of the national committees. These internal, supplementary national committee resources cover roughly one tenth of total noninvestment expenditures on public services and amenities for the general public in the CSSR in 1984.

Conclusion

National economic development in 1984 built upon the basic positive trends of 1983. The implementation of the reoslutions of the 10th CPCZ Central Committee Plenum and the fulfillment of most of the priority tasks formulated by the CSSR Government to upgrade the state plan contributed to the maintenance of the economic growth rate from the previous year. This performance, along with plan tasks for 1985 provide concrete guarantees that the overall objectives and tasks of the Seventh 5-Year Plan will be met not only in the area of quantity, but especially in the area of qualitative indicators.

One of the positive aspects of national economic development is the fact that increases in national income is being achieved through the gradual implementation of economic intensification, greater efficiency, a reduction in transportation intensiveness and the improved utilization of internal capabilities. Greater resources assure a balance in our payment relationships with foreign partners, planned payments of loans and a reduction in our hard currency indebtedness, a further increase in work incomes, public and personal consumption and an increase in investment. As emphasized by the 12th CPCZ Central Committee Plenum, however, we cannot be satisfied with the performance of 1984 in economic development, nor should it be overestimated.

This is because during this period certain negative trends persisted from previous years and continue to retard the achievement of greater national economic efficiency. Among the most serious is the fact that R&D progress and innovative activity at the enterprise level has not yet become the main factor in the intensification of the economy. The technico-economic sophistication of a number of products and their quality, in spite of moderate improvements, continue to lag behind the current potential and requirements of the Czechoslovak economy. This is mainly evident in the low valuations of our products on the domestic market, as well as in international exchange, where the efficiency of our products has been on a continual decline. Labor productivity has, to be sure, increased, but more slowly than the capital asset per worker ratio has been increasing. Capital asset utilization has thus been worsening. Economically unjustified differences still exist in the managerial sophistication of specific organizations and branches, and planned tasks are not being completed comprehensively and evenhandedly. We continue to be unable to implement the needed structural changes or to adhere to desirable objectives in the utilization of output. This is especially true of deliveries designated for nonsocialist countries, deliveries for the domestic market, and capital deliveries. Most of the existing shortcomings stem from a continually unsatisfactory level of management, planning and control at all levels that far from corresponds to the difficulty of current tasks.

A CSSR Government report on the fulfillment of its program decree emphasized that to execute the strategy of the 16th CPCZ Congress it is essential to accelerate the process of economic intensification, more rapidly to improve the performance and effectiveness of the entire socio-political, state and managerial mechanisms, to carry structural changes further and substantially accelerate the implementation process for R&D findings. Financial agencies must also play their inevitable role in achieving cost savings, increasing return on investment and profits, improving management, improving the relationship between import and export prices, improve the efficiency of investments, inventories, etc. Only in this way can an effective contribution be made to fulfilling the tasks of the Seventh 5-Year Plan and to the formation of a favorable point of departure for the fulfillment of the tasks of the Eighth 5-Year Plan and the budgetary outlook for 1986-1990.

9276/8918
CSO: 2400/79

ECONOMY GERMAN DEMOCRATIC REPUBLIC

LABOR TASKS FORMULATED FOR INTEGRATED MANUFACTURING SYSTEMS

East Berlin SOZIALISTISCHE ARBEITSWISSENSCHAFT in German Vol 29, No 5, 1985 pp 340-50

[Second installment of the article on the same theme by Hans Eberhard Plath and Dieter Torke; for the first installment see pages 25-35 of East Europe Report EEI-85-080 15 Oct 85. Original title: "Concerning the Formation of Labor Tasks in the Projecting of Integrated Manufacturing Systems"]

[Text] The concept of project-related operations research for the analysis, evaluation and formulation of labor tasks in the projecting of integrated manufacturing systems has already been introduced[1]. Below are the results of some concrete projects which have been determined empirically. The investigative and formulative approach to be used in this regard is based on an iterative process which provides for a cyclical repetition of individual, methodical steps in which the synthesis of job functions and labor tasks is analyzed in accordance with the principle of complete activity structures.

Since the objective of this approach to the project is above all to control and prevent any possible risk factors, comparison projects in related technologies whenever possible were included in the investigation in addition to the projected and subsequently realized technology. The result was that, depending on the project in question, both simulations and analyses of actual situations were used.

1. Project and Job Functions

The project to be discussed here involves an integrated machine system for machining prismatic parts (housings) which must be inserted manually into the workpiece holder The machine system comprises five processing systems, each containing three or four machining centers (using CNC). In the case of the three Type A processing systems, the machining centers are interconnected by an automatic, oval-shaped workpiece magazine section with 18 storage slots. The workpieces enter and exit the system via rotating workpiece changers. Each processing system has a gripping and servicing station for gripping, resetting and releasing workpieces and fixtures (see Fig. 1).

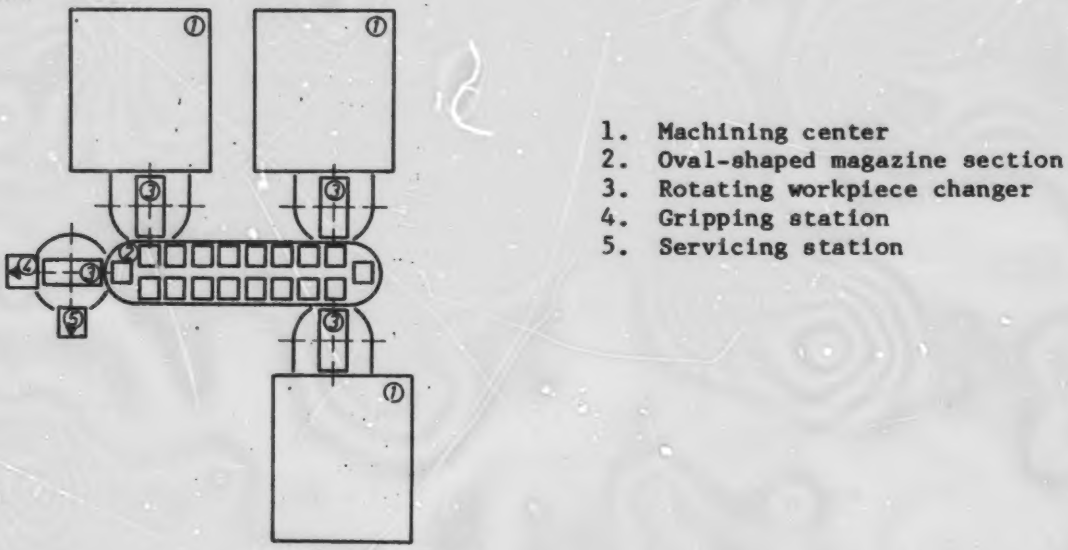


Fig. 1 Type A Processing System 1 (schematic drawing)

In the case of the two Type B processing systems, the machining centers are not interconnected by the magazines but rather by conveyor belts. The workpieces are machined using a computer-aided manufacturing process control system and are moved in and out via a centrally controlled storage and transportation system.

Of the numerous job functions related to the preparation, performance and assurance of production which are involved in this complex machine system, the gripping function was the initial subject of operations-research studies because, due to the way in which it fits into the system organization, it poses considerable problems in terms of task formulation. The existing gripping function, consisting of only a few elementary, manual operations, was considered the sole labor task for basic production workers by the project drawing office, whereas up to now these workers had been employed as highly qualified machining specialists.

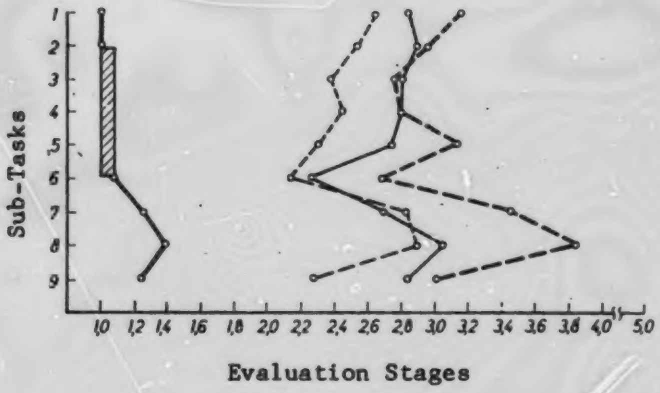
2. Evaluation of Rough Outline of Technological Project

In the iterative method, evaluating the rough outline of the technological project is the first step and is focused initially on the sub-functions to be performed by basic production workers. According to the investigative approach mentioned above, this step primarily involves estimating the probability of the incidence of risk factors (parameters to be excluded).[2] Some of the results obtained are given below.

2.1 Job Requirements

Job requirements were determined by means of simulation in the case of the projected technology and by means of actual analysis in the the case of comparison projects. Among other aspects, the following can be derived from the profiles compiled on the mental requirements (productive and reproductive)[3] which are assigned to the essential sub-tasks included in the work activities (see Fig. 2):

- If the job function of gripping becomes the sole task of the workers in accordance with the rough outline of the project, a restrictive requirement profile (dark, heavy line) is produced which is at a significantly lower level ($p < 0.01$) than was previously the case with other comparison projects, particularly in the case of the workers to be transferred (light, narrow line).
- The restrictions mentioned are the result of very deep divisions of labor. As a result, sub-tasks involving preparation for manufacture and containing aspects of planning and organization are not considered for basic production workers (shaded area).



Sub-Tasks:
1. Acceptance and clarification of labor contract
2. Preparation for machining of workpiece
3. Supplying, changing and checking tools
4. Supplying and changing gripping fixtures (and gripping first workpiece)
5. Checking the machining sequence (test cycle)
6. Operating the machine after setup
7. Monitoring of machine and workpiece machining process
8. Recognizing malfunctions and their causes
9. Post-machining activities

━━━ Gripping function corresponding to projected technology
——— Multiple machine operation in comparison projects (mach. tools, NC, CNC)
━ ━ ━ Operation of NC machines with low-level division of labor
– – – Machine operation in a running IGFA (representative curve segment)
▨ Not including sub-tasks 3 - 5

Fig. 2 Requirement Profiles for Sub-Tasks With Working Tools of Varying Levels of Automation and Degrees of Division of Labor

This discrepancy between requirements to date and future requirements, which is at the same time linked to insufficient utilization of existing qualifications or of qualitative labor assets, could lead to loss of performance, reliability and motivation as additional risk factors alongside dequalification risks.

2.2 Performance Sequence and Stress

Due to the limited availability of data from the project documents, the analysis of performance sequences was based initially on the relationships between active and "inactive" periods. These figures were recorded over a working shift and were determined by simulation in the case of the project technology and in real time in the case of the comparison projects. The results follow:

- In the case of the projected techology the number of active periods is significantly higher ($p < 0.05$) on the average and over the entire course of the shift than in the comparison projects in which the workers to be transferred had been employed up to that time.

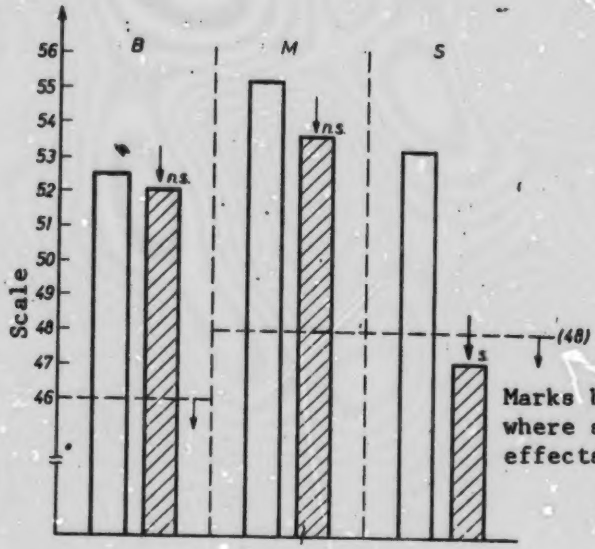
- Within the greater number of activity periods, not only are there fewer and more elementary manual operations to be performed than in the comparison projects, but they must also be repeated many more times and at much shorter intervals.

Therefore, it is clear that the risk factors to be considered include not only a one-sided view of the physical demands but also the implications[4] of negative psychological stress. The figures from the BMS questionnaire which was given to workers in the comparison projects indicate the following (see Fig. 3):

- In the case of the workers from the comparison projects who are to be obtained for the new production facility and who must currently meet higher quality requirements than those planned for them in the project, the scales for fatigue (B) and monotony (M) show only slight variations not considered critical.

- The scale for psychological saturation (S), however, shows a significant difference ($p < 0.05$) which also exceeds the critical limit. Therefore, clearly negative effects are already apparent in view of this degree of negative stress.

Thus, the following statement can probably be made: If job requirements which are comparatively more favorable already indicate negative effects, reduction of the requirements to suit the project can lead to substantial risks of undue stress which could be more extensive and comprehensive than is the case with workers in the comparison projects.



Marks beginning of area
where strong negative
effects are found

B: Fatiguing conditions
M: Monotonous conditions
S: Conditions of psychological saturation
EZ1 (Test Point 1: shortly after beginning of shift)
EZ2 (Test Point 2: shortly before end of shift)
n.s.: not significant
s. : significant ($\varphi < 0.05$)

Fig. 3 Figures from BMS Questionnaire for Determining Stress On Workers in Comparison Projects (n = 12)

2.3 Job Satisfaction

Data obtained from workers in the comparison projects for eight different areas of job satisfaction[5] indicate the following (see Fig. 4):

- Workers in the comparison projects exhibit clear satisfaction with fellow members of the work team and with the camaraderie and unity within the collective. This good social climate forms a very favorable basis in terms of personnel for collective types of labor organization. However, there is a probable risk of dissatisfaction in the social area when the specific labor organization planned for the project is realized.

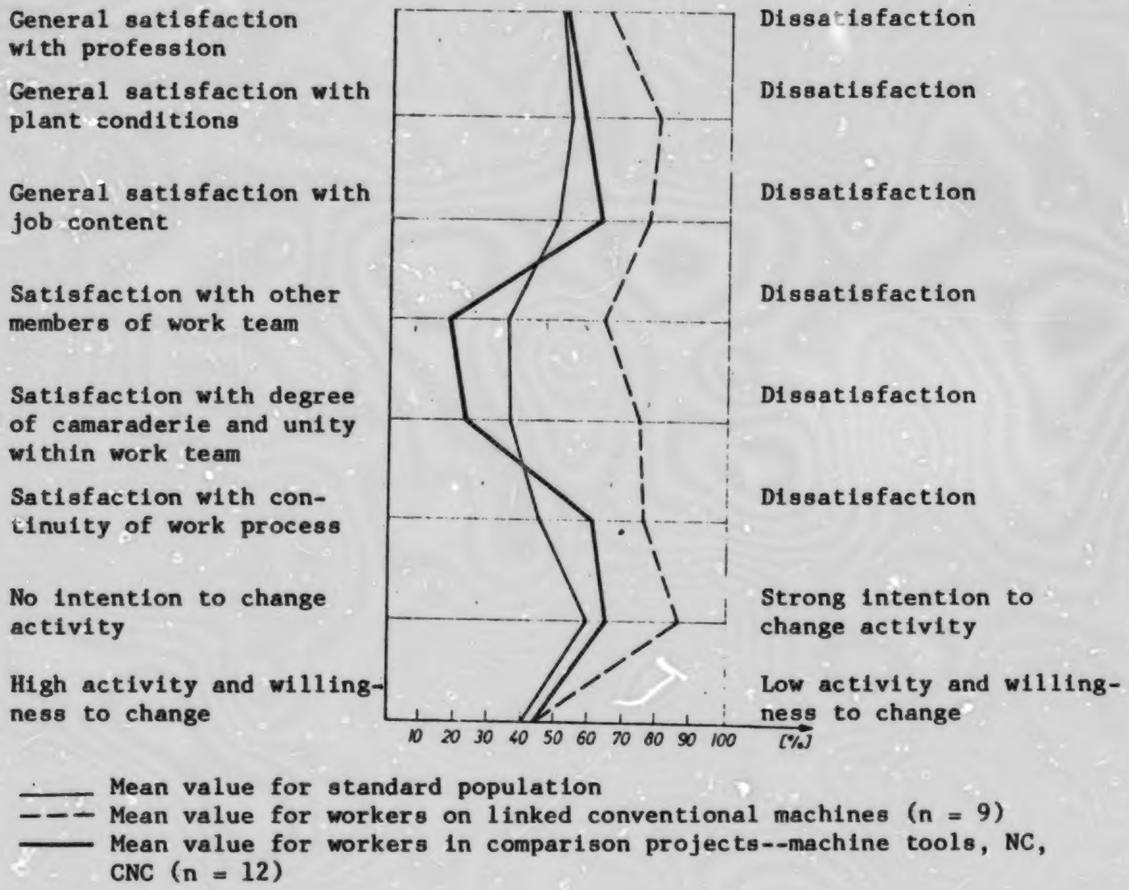


Fig. 4 Plotted Data

- Although the demands to be met in the comparison projects are relatively higher, there is already a clear trend toward dissatisfaction with job content, as well as a tendency to change activities. When the job requirements are reduced to just the gripping function, a general increase in the risk of job dissatisfaction and in the intention to change activities can be expected--similar to that encountered in work on linked conventional machines.

2.4 Worker Expectations Regarding Their Future Activity

In the questionnaire which has been developed[6], the basic concept is that worker expectations regarding their future activity are the determinants used in formulating jobs and especially in formulating specific tasks. Moreover, they provide information on the level required within the scope of formulating tasks aimed at a specific target group.

The figures obtained on the workers to be transferred are shown in Fig. 5 as the amount of emphasis on individual job characteristics in relation to the maximum possible emphasis. The shaded areas indicate the amount of divergence between emphasis on job characteristics as reflected by worker expectations and the gripping function as the sole labor task. Although it is not possible to go into detail here, the following is clear: For all of the characteristics, worker expectations regarding their future activity are substantially above the emphasis level for these characteristics ($p < 0.01$) which would result if gripping were the sole activity, even though the expectation levels themselves do not reach the maximum degree of emphasis. This could increase the probability of risks involving primarily undue stress, job dissatisfaction and lack of motivation.

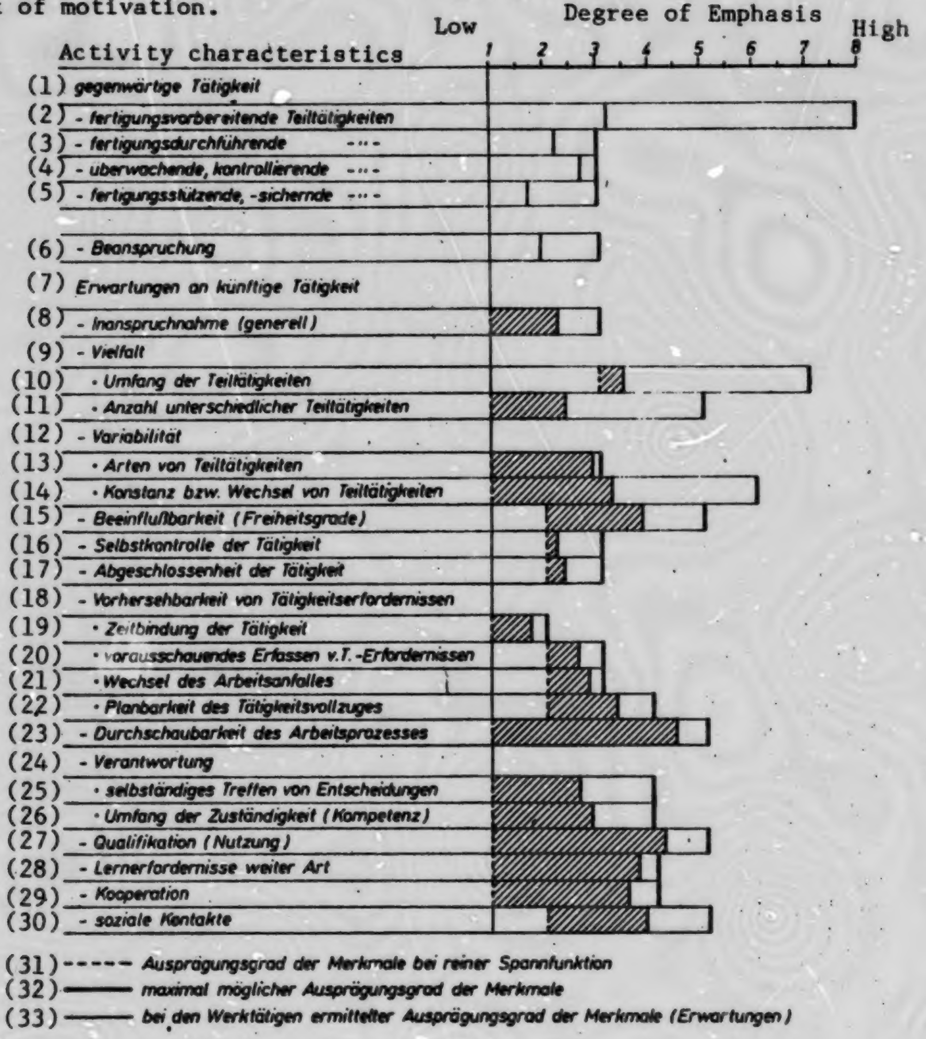


Fig. 5 Degree of Emphasis on Components of the Current Activity in Comparison Projects and on Worker Expectations Regarding the Quality of Their Future Activity in the Processing System (n = 12)

[Key on following page]

Key:

1. Current activity
2. - Sub-activities involving production preparation
3. - Sub-activities involving production performance
4. - Sub-activities involving monitoring, controls
5. - Sub-activities involving production support and assurance
6. - Stress
7. Expectations regarding future activity
8. - Utilization (general)
9. - Variety
10. • Scope of sub-activities
11. • Number of different sub-activities
12. - Variability
13. • Types of sub-activities
14. • Constancy/variability of sub-activities
15. - Influence (degree of freedom)
16. - Self-monitoring of activity
17. - Completeness of activity
18. - Predictability of activity requirements
19. • Time-dependent activity
20. • Predetermination of activity requirements
21. • Variation in work load
22. • Ability to plan activity process
23. - Clarity of labor process
24. - Responsibility
25. • Independent decision-making
26. • Scope of responsibility (competence)
27. - Qualification (utilization)
28. - Additional training requirements
29. - Cooperation
30. - Social contacts
31. Degree of emphasis on job characteristics in the case of a simple gripping function
32. Maximum possible degree of emphasis on job characteristics
33. Degree of emphasis on job characteristics (expectations) determined among workers

2.5 Process-Dynamic Time Response of Gripping Function During System Operation

The first tests on Type A processing systems were to see whether the documented utilization of the loading/unloading personnel of 50 percent of the overall gripping time per system was distributed over time such that the planned operation of two systems by one worker was possible. Simulations were employed for this purpose. The results are given below:

- The percentage of time per shift required for gripping is 65 percent and not 50 percent as calculated for the project.

- At the same time the overlapping periods involved in gripping requirements which occur simultaneously are considerable (see Fig. 6).

Thus, the planned type of labor organization involving two systems operated by one worker is not feasible because the large amount of idle time would present an unacceptable production risk.

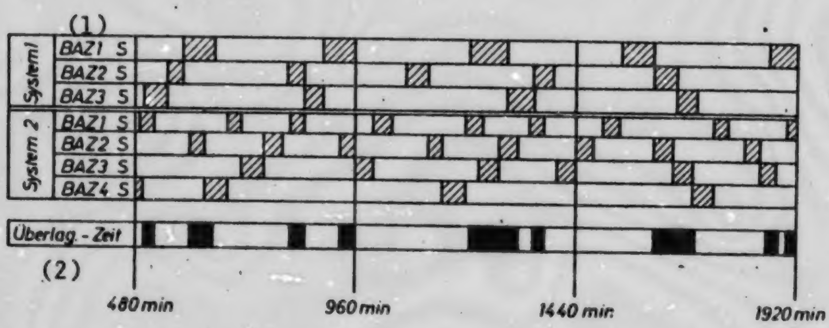


Fig. 6 Overlapping Time Periods Required for Gripping in Processing Systems 1 and 2 of Type A (S = gripping, determined by simulation)

Key: 1. Machining Center 2. Overlapping time periods

2.6 Consequences

With regard to basic management decisions, these and other results used in the analysis of the rough project outline led to the requirement for greater precision in the formulation of tasks and thus in accomplishment of those tasks by the workers, in the concept of wages and characteristic figures, and in workplace design.

Therefore, our primary concern was to largely eliminate the already known risk factors based on changes in the division of labor and in labor cooperation, in particular by combining job functions of varying content.

3. Reformulation of Labor Tasks

In accordance with the iterative process used in the project, the reformulation of labor tasks represents the second step in terms of a targeted and, moreover, controlled method of intervention with regard to the risk factors which have been determined.

Development of revised labor tasks intended first and foremost to produce a more favorable organizational integration of the gripping function was in accordance with the participation concept of collective development of solutions for formulation problems and included the test results shown here.

Among other things, an essential result of this process was a preparatory document on the reformulation of labor tasks which was approved by all involved. According to this document, the intention of the task formulation draft, which is oriented toward specific objectives, is to broaden labor tasks by combining manufacturing performance, preparation and assurance functions which are interlinked and interchangeable.

Accordingly, task structures were developed by integrating auxiliary processes into the main process. These task structures comprise three sets of tasks and include the following areas of operation: gripping the workpiece, tool setup and preadjustment, and setup and monitoring of the machine system. Table 1 provides a brief summary of task set I which applies to basic production workers.

Each of the three sets of tasks is similar to task set I and contains a priority task and additional sub-tasks in accordance with the basic ideas of Hartmann and Zink[8]. The additional sub-tasks comprise interlinked job functions which entail a considerable number of separate functions.

Table 1 Tasks and Job Functions in Task Set I

Tasks	Job Functions
Priority task	- Gripping the workpiece - Monitoring the main control panel
Additional sub-tasks	- Sub-tasks involving tool setup - Sub-tasks involving setup of the machine system - Sub-tasks involving monitoring of the machine system

The still open questions with regard to organization within the operating system are: According to what special principle of organization and to what degree in each case are the job functions able to be interlinked? Additional simulations and real-time analyses are required here in order to determine the frequency, duration and time-dependency of individual job functions.

4. Ability to Realize Complex Labor Tasks

The renewed labor analysis testing of more complex labor tasks planned for the project represents the third step in the iterative process and, corresponding to the current level of project preparation, uses simulation techniques. It is performed first and foremost with a view to priorities because we are dealing here primarily with the basic functions which must be assured.

What is to be determined, among other things, is the extent to which adequate time periods for the inclusion of additional job functions can be made available within the scope of the process-dynamic time structures possible within the manufacturing system, and whether it is feasible at the point in time required technologically. In addition, the reformulated labor tasks are to be evaluated in terms of the activities involved in the job functions to be combined.

Some examples of the time structure involving the machine functions and job functions of Type A processing systems are given below. The first analysis of the programs for computer-aided production control which were made available by the supplier of the working tools and which are part of the software which has been created indicated the following:

- The operational requirements which arise during one working shift are stochastic in nature and are interrupted by unforeseeable waiting periods of varying lengths.

- These waiting periods and/or the percentage of spare time are of particular interest in formulating more complex labor tasks. The frequency distribution of the duration of these periods shows, however, that their length is essentially only up to 5 minutes long (see Fig. 7).

- Taken individually, periods of spare time this small cannot be used in task formulation which intends additional functions, even though the overall percentage over the course of the shift is very high at about 35 percent.

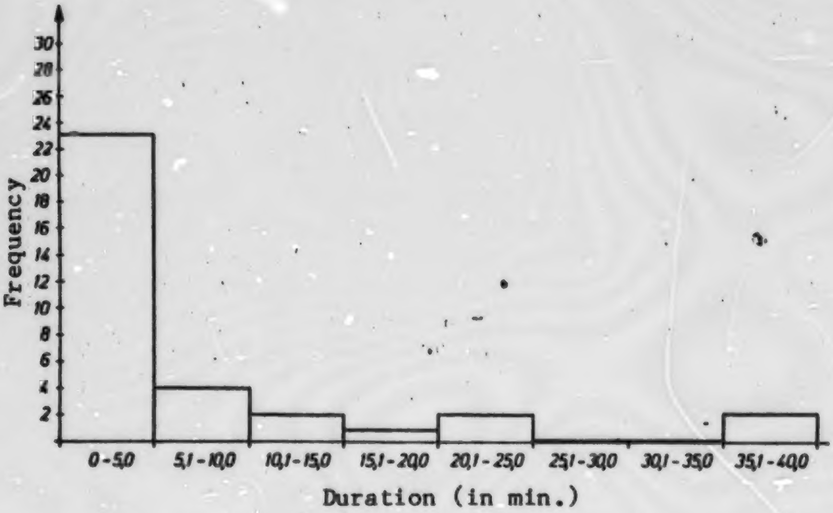


Fig. 7 Frequency Distribution of Waiting Periods of Varying Duration Per Shift in Type A Processing Systems (Determined through Simulation)

Therefore, an attempt was made to change the production process control programs through simulation in such a way that with equal utilization of the machining centers longer adjacent periods of spare time are created which are at the same time predictable. If the technological input parameters of "workpiece allocation," "number of palettes per workpiece," "machining sequence per machining center" and "point in time of entrance and exit of palettes" can be coordinated such that intermediate storage time reaches a maximum, the small individual periods of spare time are substantially increased through bunching.

As indicated above, production process control programs can certainly be developed which correspond to the requirements and expectations mentioned (see Fig. 8).

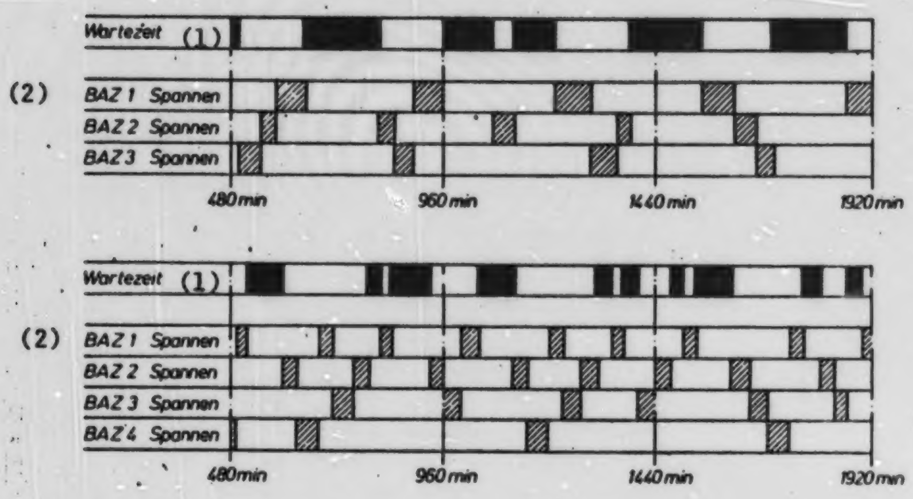


Fig. 8 Simulated Process-Dynamic Structure of Gripping Requirements and Spare Time Periods in Type A Processing Systems 1 and 2

Key: 1. Waiting time 2. BAZ = machining center; Spannen = gripping

By optimizing the technological input parameters indicated above, the operational requirements for both 3 and 4 machining centers per processing system can be scheduled (shaded areas) such that substantially longer adjacent blocks of spare time per shift are created (black areas).

This temporary separation of man from machine, made possible by the way in which the software is formulated, lays the groundwork for the planned formulation of labor tasks with more content by combining and therefore expanding job functions.

The time/content and function-related structuring of the three above-mentioned sets of tasks in keeping with the requirements or possibilities available in operating the system, and the activity-based evaluation of the job functions to be combined with a view to preventing risk factors, are an integral part of further project-related operations research.

Subsequent published reports will therefore deal among other things with simulation-based investigations of time-dynamic process structures in processing systems taking into account additional job functions and results for the purpose of verifying task structuring in a plant's operational phase. The objective here is to fully implement all possibilities of socialist job formulation in such a way that risk factors are eliminated by means of an orientation toward the important objectives of increased performance, personal growth and stress optimization.

FOOTNOTES

1. Authors' collective, "Concerning the Formation of Labor Tasks in the Projecting of Integrated Manufacturing Systems--Conception, Investigative Approach and Structural Approach," Sozialistische Arbeitswissenschaft, 1985, Vol 2, p 116.

2. Ibid., p 120 ff.

3. H.-E. Plath, "Analysis Methods, Results and Approaches for the Formulation of Progressive Job Content From a Labor Psychology Point of View," Sozialistische Arbeitswissenschaft, 1977, Vol 8, p 561.

4. H.-E. Plath and P. Richter, "Ermuedung, Monotonie, Saettigung, Stress (BMS)--Verfahren zur skalierten Erfassung erlebter Beanspruchungsfolge," [Fatigue, Monotony, Saturation, Stress--A Scale for Determining the Results of Stress], Berlin Psychodiagnostic Center, 1984.

5. P. Hurrelmann and H. Stach, "Bewertung einiger Aspekte der Arbeitssituation durch Produktionsarbeiter ('Arbeitszufriedenheit'), [Evaluation of some Aspects of the Job Situation by Production Workers ('Job Satisfaction')], WTZ for Occupational Safety at the Ministry for Construction of the GDR, Berlin 1973.

6. H.-E. Plath, "Questionnaire for Determining Worker Expectations Regarding Their Future Activity (Expectations Questionnaire), trial draft, ZFA, Dresden 1983.

7. J. Neubert, "Collective Labor Analysis and Job Formulation: Outlines of a Concept," in proceedings of the Fourth Dresden Symposium on Labor and Engineering Psychology," Dresden 1982; authors' collective, op. cit., p 124.

8. G. Hartmann and J. Zink, "Labor Solution for Low-Manpower Manufacturing Areas Involving Parts Production in the Machine Tool Industry," Fertigungstechnik und Betrieb, 1983, Vol 9, p 549.

12644
CSO: 2300/145

VALOSAG ARTICLE ON COORDINATION OF NATIONAL ECONOMIES

Budapest HETI VILAGGAZDASAG in Hungarian No 46 Nov 85 p 57

[Article from VALOSAG No 10, 1985 by Laszlo Csaba: "Synchronization of Interests and Joint Search for Solutions"]

[Text] "It is obvious that the CEMA countries--in part a result of the weakness of the foreign trade concept and as a consequence of the subservient (service and natural gap-filling) role played by foreign trade in planning--have not succeeded in eliminating the parallels in structural policy with the help of the international effort to synchronize their planning. This does not at all justify the lack of actual coordination," the author points out in his article, which appeared with the subtitle "Thoughts On the Coordination of National Economic Policies."

The author sees one of the major causes for this apparent lack of organization in the fact that "in this system of mutual dependencies and varying institutions, the relationships between (economic) directing levels, between leaders and those led aren't relationships between equal partners, ones which can be described as theoretical games, but rather the hierarchical character of the organizational and institutional system has a determining role." Among other things, this also means that "in actual East European planned economies the role of the market so far has remained auxiliary, and the decisive standard for economic success was not the satisfaction of the co-equal partner, but rather that of the superior authority."

According to the author, the opinion is widely held that it is not possible to coordinate the economic policies of the individual countries within the CEMA, since the national goals of the individual countries differ sharply, as do the national economic mechanisms. The author adds, however, that this does not justify the maintenance of parallel structures, because "economic literature has already proven that as early as the 1950s and 1960s the common strains in the economic mechanisms of the CEMA countries--such as their internally directed, "sovereign", autarchical and non-monetary nature, their organizational differences developed primarily for subjective reasons in the financial system--hindered the development of regional economic cooperation." Among other factors, the lack of a well-functioning regional market hindered "the effective coordination of national priorities which differed out of necessity."

The exchange of commodities within the CEMA is primarily--and to an increasing degree--controlled by a medium-range planning coordination executed with essentially unchanged methods. When plans for 1986-1990 were coordinated, it became evident that because of the insufficient marketability and low technological level of commodities, as well as for economic reasons, it would be unrealistic to count on an expansion of the CEMA's commodity trade. Nor are the traditional methods of planning coordination helpful in stabilizing the growth of trade, even though that is supposed to be the main function of coordination. As the author states, in our time, when technological progress and product development is so swift, it is impossible to expect the detailed and reliable foresight which is called for by traditional planning methods. "The methodology of planning coordination continues to ignore the above-mentioned objective limitations on planning foresight," he writes, "and, instead, strives to add stability to the planning processes, employing its own resources. It is not surprising that attempts of this type bring even less success than has been our past experience: the coordination of planning is significantly behind schedule, whether measured by the timetable approved at the 1982 annual session [of the CEMA], or as compared to its own established norm.

12588
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POSTAL SERVICE IN NEED OF FUNDS, EQUIPMENT

Budapest MAGYAR HIRLAP in Hungarian 24 Dec 85 p 5

[Agoston Braun's interview with Illes Toth, president of the Hungarian Postal Service: "The Raven Flies with Crippled Wings"]

[Text] Our relationship with the postal service is more binding than a marriage. For, after all, no matter how much we curse "the raven," we cannot become independent of it. So we can only hope that sometime in the future the postal service will improve, and we will have less reason to complain. This possibility is the topic of our converstaion with Illes Toth, the president of the Hungarian Postal Service.

Illes Toth was born in 1926. He studied in the department of electrical engineering at the Budapest Technical University and received his diploma as an electrical engineer. He earned a diploma from the Higher Party School of the HSWP. Initially he worked as an independent party functionary; later he became the technical director, then the deputy director of the Orion Radio and Electronics Enterprise. Since 1970 he has been the first deputy to the director, later the director, of the Hungarian Postal Service. Presently he is president of the Hungarian Postal Service, with the rank of secretary of state.

[Question] I have heard economists making the claim that the price of our economic policies during the earlier decades has been, among other things, that in the interest of dynamic growth in production the development of the infrastructure, such as that of the postal service, has been neglected. What is your opinion concerning this?

[Answer] I'm glad that your first question was not concerning the telephone situation. I am even gladder, because in the areas of classical postal services we could please the public for much less money, say for about 3-4 billion forints, than in the area of telephone service, where such an amount is barely noticeable. For example, for 800 million forints we could expand the reception possibilities of television's channel 2 from 80 to 100 percent, or for the same amount we could introduce the practice of postal savings accounts. The latter would mean that the citizen could pick up his deposited money at any post office in the country, instead of being limited to the one where he made the deposit. Presently, this practice is made impossible by the fact that there is no record of the money outside the place of deposit.

The conflict between the productive sphere and the infrastructure has been increasingly tense for the past 20-25 years. During recent years they began to consider us--at least in theory--in our proper place. Unfortunately, the financing is still not what it should be. Therefore, we feel that the postal service has not received its proper share of the national development. For example, in the period between 1970 and 1980 we received 1.5-2.1 percent of the socialist sectors's investments, even though international data indicate that the dynamic development of postal and telecommunication services requires at least 4 percent.

[Question] It has been two and a half years since the Postal Service and the Ministry of Transportation have become separate organizations. Are you beginning to notice the fruits of independence?

[Answer] It was in the midst of the Sixth 5-Year Plan, during the years of belt-tightening, in a difficult situation, that we had to decide whether or not we wanted to accept independence. We decided in favor of separation, in spite of the fact that in two important areas, development and postal wage increases, we could not make any promises. We were confident that, if not sooner, at least by the Seventh 5-Year Plan, we could create the foundations for our future. These days, it appears that our hopes are starting to come true. We have acquired useful experience in the interim years, not only in our own opinion, but in that of the other organizations that work side by side with the Postal Service. The Council of Ministers recently evaluated the lessons of having an independent Hungarian Postal Service. I can sum these up this way: The reorganization of the postal service into an independent body took place according to schedule and essentially without difficulties. Our system of contacts has become simpler, quicker and more effective, domestically as well as on the international scene. The prestige of our organization has been enhanced in every respect.

[Question] Everyone prepares a year-end evaluation. If I would have to talk about the popularity index of the postal service, I would be quite embarrassed, because the manifestations are so extreme. The approximately 70,000 workers of the Hungarian Postal Service, who are not aided by modern technology, and whose working conditions are often far from ideal, are burdened by the constantly growing, and sometimes justified, impatience of the population.

[Answer] This is a very timely and important issue, which occupies our attention, too. According to our own data and the nationwide survey of public oppinion completed in 1983, mail delivery and the services connected to the delivery of packages and money orders are considered good or satisfactory by our clients. Naturally, from time to time it becomes necessary to examine the opinion of the public concerning postal services, and to compare the results with our own claims. For this reason, we are going to conduct another nationwide public opinion survey in 1986. In any event, I feel that, considering the volume of traffic--more than 780 million letters, 50 million registered items, 24 million pension checks and 11 million packages--this organization performs its job decently. However, due to shortcomings in the service, valid complaints come in from a wide variety of sources. Some of these are caused by objective factors of our circumstances, while others are attributable to our own faults.

I would also like to recount an average day in the life of the postal service: The mail trains take off around midnight, in 9 directions, and take with them approximately 30,000 packages, 1.3 million letters, 2.2 million copies of publications. During the dawn hours, the mail trains are met by 320 postal trucks at various points, in order to deliver the items to the 3,200 post offices around the country. And this early morning.... No matter how I figure it, we are in direct, or close indirect, contact with 4 million clients each day. The work outlined above must be accomplished every day.

As for the telephone service, few people are aware of the fact that the systems operating in cities such as Balassagyarmat, Esztergom, Komarom, in a total of 231 communities, are based on manual connection, many of these were installed around the turn of the century, and that these systems serve some 47,000 subscribers. The situation is not much better with the other important element of the telephone sevice, the cable network. This is classified into five categories, according to technical condition: This means that cables in category IV should be replaced immediately, while those in category V should have been replaced earlier. Well, in Budapest almost 45 percent of the cables are in categories IV and V ! There are 460,000 people in this country awaiting the installation of their telephones, and perhaps I do not need to tell you what kind of tension this creates. On the other hand, it is commonly known that in certain locations we were able to provide opportunities for the population to purchase bonds, thus in fact providing the money we could use to speed up improvement of the telephone systems. I can tell you that, with one or two exceptions, these bonds were sold out in one week. In Debrecen, for example, we had to expand our planned switchboard from 2,000 to 6,000, because three times as many people purchased bonds as expected.

In the final analysis, our aim is to live up to the traditions of the Hungarian Post Office, which used to be world famous for its quick, accurate and reliable service. It is the policy of the leadership of the Hungarian Postal Service to make the organization innovative and open to contact with the public, and to do this in such a manner that the institutional face of the Postal Service be the least evident. In this effort we have already accomplished a few things. For example, we participate in the distribution and popularization of books, we deliver medication to small villages where there are no pharmacies, and we operate public telephones on the honor system, from which our clients can send telegrams or talk for 6 minutes, and pay later. For our employees, we conduct courses in polite behavior, and even if many of them forget what they have learned in these, they never treat clients the way they used to.

[Question] We would welcome your views on something else: Are you satisfied with the esteem in which the public holds postal employees?

[Answer] Regrettably, we have not achieved our proper status yet. We are not recognized in accordance with the work we perform. Every day, 20,000 of my colleagues work in the snow, in freezing weather, in rain, in mud, literally on the street. 8,000 of our workers are permanently assigned to rotating shift work. Our conditions are such that we are unable to offer institutional eating facilities to one out of every three of our employees. In a nationwide comparison two years ago, each month postal employees took home 380 forints less than if they performed similar tasks in other areas, and last year this difference grew to 440 forints. For those who work behind the windows, who have to smile in addition to working, the comparison shows a 1,000 forints deficit. Naturally, we made every effort to come closer to the national average. For example, in 1985 postal workers received a 10 percent wage increase, and our prospects for 1986 are also promising. One result of the above-mentioned problems is that we are suffering from a shortage of workers. In many areas, primarily in the technical, but also in the delivery trades, shortages of personnel have become permanent, especially in the cities and in the trades most in demand. For example, we could immediately provide work for 850 telephone maintenance technicians.

[Question] There are admirable developmental concepts in connection with classical postal services; items classified as express mail can reach their Western destinations in the same amount of time as it takes--optimally--to deliver something from one community to another domestically. What kind of realistic plans do you have for shortening domestic as well as international delivery time, which is often intolerably long?

[Answer] Each day, the postal service expedites 5-6 million items. A significant portion of these arrive at their designated destination in time. Due to transportation problems--delayed trains, weather problems, fog--the processing time may be longer at times, and occasionally there are pileups in the local offices as well. Regrettably, there are still problems with the mechanization of mail processing, and I have already mentioned the shortage of labor. What are our plans, you ask? During the Seventh 5-Year Plan we will continue developing the network of mechanized mail processing stations, along with the realization of the so-called central points program. (These regional centers will significantly simplify the task of postal workers and shorten the time of delivery.) We will complete the center at Szekesfehervar and begin constructing the centers at Kecskemet and Pecs. We will continue the mechanization of mail processing in Budapest, Szekesfehervar and Szolnok. And, last but not least, we will replace a significant portion of the vehicles in our network of mobile post offices.

I would also like to announce that the Postal Service has a developmental concept extending to the year 2000. We defined the developmental concepts in 1979, based upon expected demands. In other words, we know what people will expect of us around the millenium, and what kind of personal and technical preparation will be required in order to satisfy these demands. Of course, I must tell you that planning is not so simple. Nowadays, we have numerous large-capacity and lightning-fast means for transmitting information, from communication satellites to electronic equipment. In spite of this, people prefer that their personal messages reach the adressee while preserving their personal traits. In other words, it makes a difference whether one receives the same intimate message written on a familiar-smelling pink stationery or relayed by a communications satellite. The annual 2-3 percent growth in traditional letter traffic is a world-wide phenomenon, and we must also be prepared for this.

I must add, however, that, regrettably, the Hungarian Postal Service is not a large enough customer for Hungarian industries to economically produce machinery for it, and we cannot obtain suitable equipment from the friendly socialist countries. We must recognize that the only way we can modernize is if we purchase entire lines of equipment from the West. This has its disadvantage in that we must spend hard currency; what is more, once we commit ourselves to the products of one firm, later we cannot switch as we would wish. We must accept this sacrifice, because otherwise there will never be a rapid and modern postal service in Hungary.

[Question] I would like to recall one of your recent public appearances. During the press conference concerning the telephone bonds, you announced to the newsmen present: "We would make a compact with the devil, if that would give us a chance to improve the telephone situation." In spite of the fact that the so-called COCOM list continues to prevent the import of the most modern electronic technology, real change will depend on this: Will we have enough money or not?

[Answer] As for the technical part of the question, indeed, embargoes prevent us from stepping up the pace of making our switchboards electronic. However, this is only one, and not necessarily basic, condition for the more rapid development of telecommunications. There is no denying, an electronic switchboard center consumes 40 percent less electricity than the crossbar system; it calls for a smaller building, and it is cheaper in every detail. Since it has no moving parts, it can even be considered to last forever. It is also true that the concept of crossbar switchboards is 40 years old, but it is still suitable for the support of a good nationwide network. There are a sufficient number of domestically manufactured parts that would be suitable for more rapid development. The question is, what pace can we establish; thus further development will be connected to investment resources. The telephone service is a profitable enterprise in Hungary too, but the Postal Service has to make contributions to the great public investments, such as public health or education, and therefore there is no possibility for us to spend more money on the expansion of service.

In order to realize the telecommunications development program during the Seventh 5-Year Plan, a project we consider absolutely necessary, a minimum of 40 billion forints must be spent. At this time, such an amount is not at our disposal, so we strive to use any outside resource that could contribute to development. Of course, we can only accept money if we can promise improvement in the quality, or at least the quantity, of service. Thus, the acceptance of money implies--among other things--responsibilities for us. In an effort to improve our situation, we are negotiating with the World Bank, and we are otherwise surveying the global money market in search of loans. In addition, the postal service also investigates the possibilities for involving domestic entrepreneurs ("stockholders") or foreign capital in the development of the country's telephone network. This presents a radical break with traditional practices. Finally, I must point out that, just as everywhere else, in Hungary too there is a trend toward making the various services self-sufficient and achieving the point where profits from the telephone service support the development of the network.

In other countries, there are switchboards as smart as computers. One punches in a code from his place of employment in order to turn on the heat in his home; or there are phones that forward important calls to the residence of one's friends where one is visiting. As my biography reveals, I am going to be 60 years old next year: I would like to be alive when we can use phones like these in Hungary!

12588
CSO: 2500/133

ENTERPRISE RESTRUCTURING NO SUBSTITUTE FOR MARKET

Budapest FIGYELO in Hungarian No 2, 9 Jan 86 pp 1, 6

[Article by Istvan Csillag: "Enterprise Restructuring: "Only the Market Is Missing"]

[Text] Since 1980 nearly 600 new enterprises have been formed. About 400 independent and approximately 200 subsidiaries have been established. This is undoubtedly good news, but the pathological absence of small and mid-size companies (with an employee size of 100-500) is still typical. Thirty percent of all entrepreneurs in industry in the socialist sector still have personnel in excess of 2,000. Decentralization has so far strengthened primarily large companies and has reduced personnel only in giant companies. In spite of decentralization, examining the 460 main product groups of Hungarian economy we cannot find one in which the market share of the largest manufacturer is below 51 percent, and there are very few in which the combined market share of the two largest manufacturers does not reach 75 percent. Except for the chemical industry, this market share can hardly be justified by profitable enterprise sizes or the concentration of capital to meet the demands of international competition.

Of particular concern is the overcentralization of enterprise structures if we consider that individual enterprises combine on the average 6 plants, each with a personnel of 300, which means -- with some exceptions -- that they were created from as many independent enterprises.

In the '80s management bodies examined the market conditions of 16 branches; they focused on the production of consumer goods. They analyzed the structure, management and market position of more than 120 enterprises. Of them 70 have a higher than 60 percent market share in their own product group.

Slim Results

Considering all things, restructuring seemed possible for about 40 enterprises and the government handed this task over to the affected enterprises.

The essense of arguments against decentralization was that an expanded supply was needed to stay competitive. And for this, more import, investment, turnover capital, etc. were needed. Companies emphasized that one could hardly expect expanded supply from breaking up enterprises. In a deficiency economy demand will exhaust supply, and competition will be restricted by price fixing, limited supply of raw material and administrative decisions on company profiles. Among others, it was also in response to these arguments that the complex study of organizational restructuring was augmented by a number of forward-looking "supplementary" measures. Some examples are the loosening of administrative restrictions on profile changes, the establishment of unity among various functions (trade, production,) and the formation of the trading house model. However, it also became clear that the government could not make up for the lost capacities of enterprises earmarked for "amputation;" it was only able to give some help (for instance, in the form of periodic tax exemptions) to the new unit created through separation. This is why the original organizational measures became more "flexible," saying that if the government could not provide anaesthetic, let enterprises perform the surgery on themselves. So it is natural that the date of the surgery kept being postponed, and the sphere of intervention was gradually diminished as an increasing number of obstacles--endangering export responsibilities and the unified policy of technology and development; lack of necessary occupational knowledge; low level of implements, etc. --could be discovered. In the end, these arguments could substantially slow down organizational restructuring.

The Tactic of Those Splitting Off

But we have to see it clearly: overcentralization and organizational monopoly preclude competition, and in this way the government can become dependent on monopolies. If state management stakes everything on one card--in technical development, export, etc.--then the risk in the radical changes affecting several sub-branches is too high. Considering all this it is no accident that in time enterprises and their directorates will share the same interests. As Gabor Karsai put it in the 1985/47 issue of FIGYELO: team play will be developed between large enterprises and their directorates. We can see that for many the establishment of a few subsidiaries means that the urgent and public task of market building can be "checked off."

Looking back at the period of organizational restructuring between 1980 and 1985 we can say that although centralization has been loosened, with the exception of a few branches, we still have not created the organizational conditions of competition (no mention will be made here of other conditions of market building.) Perhaps considering more the difficulties and necessary conditions for market building we could have achieved greater changes and avoided the frequently heard opinion that the weaker first quarter industrial production is due to organizational restructuring. It is true, though, that this can be convincingly refuted by the example of the food stuffs industry and by enterprise analyses as well. (See Janos Deak's article in the 1985/I 3rd issue of FIGYELO.) But it does not hurt to emphasize over and over again that there is no connection between organizational restructuring and poor production. Moreover, in the case of several small enterprises, they have to struggle to survive. But the one big enterprise can wait, saying something might happen to it; in the form of state care.

Table I. ORGANIZATIONAL RESTRUCTURING OF INDUSTRIAL ENTERPRISES 1985

Nature of Organizational Examinations	No. of Affected Enterprises	New Independent Enterprises	Subsidiary	Subsidiary Being Formed
-- Complex Examination of Market Conditions	69	1	12	20
-- General Organizational Examination Plant	17			1
-- Plant Examination	10		1	1
-- Independence Initiatives	36*	20**		
Total	115	21	13	22

* 17 of them also appear in group No. 1.

** In 6 cases, because of splitting off, we do not consider the legal predecessor of the company, the headquarters.

Table II. RESULTS OF ORGANIZATIONAL RESTRUCTURING BY BRANCHES

Year	Branch of the Economy	Enterprise No Longer in Existence	Size Decreased	Size Increased	Became Independent from Being Member of Trust	Became Independent from Being Enterprise Unit	Small Enterprise
1980	Industry	4	–	–	25	–	–
	Trade	1	–	–	1	–	–
	Total	5	–	–	26	–	–
1981	Industry	4	11	1	13	21	–
	Construction Industry	1	–	–	14	–	–
	Trade	–	–	–	1	–	–
	Services	1	–	–	4	–	–
	Total	6	11	1	32	21	–
1982	Industry	5	3	–	34	15	–
	Transportation	–	–	–	1	–	–
	Trade	3	–	–	19	2	–
	Services	–	1	–	–	1	–
	Total	8	4	–	54	18	–
1983	Industry	4	3	–	21	4	120
	Construction Industry	1	–	–	–	1	–
	Trade	1	–	–	2	–	–
	Services	–	–	–	–	2	1
	Total	6	3	–	23	7	121
1984	Industry	15	–	1	6	–	10
	Transportation	1	–	–	24	–	–
	Trade	2	–	1	–	–	–
	Services	1	–	–	–	–	–
	Total	19	–	2	30	–	10
	Total for 1980-1984	44	18	3	165	46	131

12366/7051
CSO: 2500/173

ENTERPRISE COUNCILS APT TO RETARD DECENTRALIZATION

Budapest FIGYELO in Hungarian No 2, 9 Jan 86 p 6

[Article by Iag: "Independents and Subsidiaries"]

[Text] Contrary to general expectations, the main source of market building and organizational restructuring was the independence initiatives of organizational units within enterprises. In previous years enterprise units dared voice such requests only occasionally. They were wary of enterprise and ministerial management. With the introduction of new enterprise management forms, however, dependence on management organs and the director's power have been weakened, and unit leaders could feel the collectives' support manifested at workers' meetings. And the Finance Ministry's decree on financial help needed to become independent has increased their feeling of security.

Most initiatives--45--came from industry, and generally from units of enterprises that earlier had been earmarked for restructuring. The initiatives, however, had been aborted because of the information given by the enterprise headquarters or the founder. At the same time it is surprising how few units have initiated their independence. The approximately 900 enterprises under the ministry have more than 4,000 plants. And cooperation among the enterprises' units has been seriously blocked in many places.

Although initiatives to become independent have been in general well-founded, they have resulted in the formation of independent enterprises only partially. The decisionmakers had to consider the risk of organizational restructuring. Many leaders of internal units have been relieved of their duties after the rejection of initiatives, clearly indicating that the law and financial help do not protect those initiating changes, and there are no guarantees to safeguard the position of those who seek changes or of the organization itself. This is why the necessity of adding to the law has surfaced.

An important experience in restructuring so far has been that the issue of whether to become totally independent or to choose the controversial form of subsidy will inevitably come up. There is a need for transitional forms. Why? Because the interest of the parent company, relieved of the everyday concerns of running the business, extends to counting on the initiatives of its subsidiary, and on the extra profit that the parent company will enjoy as well. But the establishing company is legally responsible for its subsidiary, therefore it rightfully wants to limit risks to a reasonable degree, including the right to close down the subsidiary at any time. And since the liquidation of the subsidiary is not tied to conditions, it is possible that the founder would want to close down the successfully operating subsidiary because it needs the capital tied down in the subsidiary, or because the subsidiary poses competition.

What kinds of guarantees do subsidies have that--yielding to the "gentle force" of management bodies--were established by some parent companies in order to sidestep the initiatives to become totally independent? The question is justified. This is what led to a proposal that wishes to create new versions of the subsidiary form. Its essence is that the parent company is liable for the responsibilities of the subsidiary only to the extent of the invested capital, and the subsidiary could be liquidated only in the proportion of the invested capital and under certain circumstances.

Proposals to regulate initiatives to make internal units independent are also aimed at making organizational restructuring easier. This seems all the more important as in the future initiatives toward internal independence will be decided upon by enterprise councils, and general and delegate assemblies. Only units of enterprises under state management will be able to turn to the establishing organ. Since decisions are the organs' internal matter we can expect that the process of organizational modernization will slow down even further, as why would the enterprise council let efficient, self-reliant units become independent, and why would a weaker unit want to lose its protection?

Table I.

INDEPENDENCE INITIATIVES IN 1985

Supervising Organ	Number of Initiatives	Number of Accepted Initiatives
Ministry of Industry	45*	17
Ministry of Construction and Urban Development	7	4
Ministry of Foreign Trade	3	2
Ministry of Agriculture and Nutrition	1	1
Ministry of Domestic Trade	1	1
National Bureau of Materials and Prices Councils	2	-
Total	60	26

* at 36 enterprises (several at some enterprises.)

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BRIEFS

ECONOMIC TALKS WITH SOVIET AMBASSADOR--Vice Premier Wladyslaw Gwiazda met with Vladimir Brovikov, the newly appointed Soviet ambassador to Poland. They touched on the main issues concerning Polish-Soviet economic cooperation and trade. On 5 February 1986, Andrzej Wojcik, minister of Foreign Trade, met with the Soviet ambassador to discuss Polish-Soviet economic and trade relations including questions concerning the trade protocol for this year and the agreement for economic cooperation between the two countries in 1986-90. [Text] [Warsaw TRYBUNA LUDU in Polish 6 Feb 86 p 2] /8918

JOINT VENTURES WITH USSR--The next in a series of meetings of the government body for the development of economic ties with the USSR, headed by Franciszek Kubiczek, first deputy chairman of the Planning Commission of the Council of Ministers, was held in the Planning Commission. The subject of the meeting concerned Polish-Soviet cooperation in the creation of Polish-Soviet joint ventures in industry and Soviet credit allocations for the development of production capacity in Poland. [Text] [Warsaw ZYCIE WARSZAWY in Polish 7 Feb 86 p 2] /8918

MINING INDUSTRY TECHNOLOGY--A meeting of the scientific-technical council for mining in the Ministry of Mining and Energy was devoted to discussing the directions and forms of control over research and technical advances in the mining of lignite and bituminous coal in 1986-90 and the principles of financing research activity and also questions of a legal and organizational nature in R&D offices. The council praised the contributions of research and development institutions to the growth of the coal industry and the work they have done geared to further improving the organization and efficiency of the work of these offices and also analyzed the realization of the economic management plan of the Lublin coal basin based on the verified models of the "Bogdanek" and "Stefanow" mines and heard the opinions of experts on this matter. The meeting was led by Jerzy Nawrocki, member of the Council of State. Czeslaw Piotrowski, minister of Mining and Energy, also took part. [Text] [Warsaw ZYCIE WARSZAWY in Polish 7 Feb 86 p 2] /8918

TRADE SCHOOLS DISCUSS REFORM--A national meeting of nearly 300 secretaries of trade school basic party organizations took place in the Party Training Center. They discussed the functioning of trade schools within the framework of economic reform. Also discussed were the tasks set before this very important educational organ arising from the resolutions made at the 24th Plenum of the PZPR

CC. Representatives from the Ministry of Education, the national board of the Union of Polish Teachers and the PZPR CC Department of Science, Education and Scientific and Technical Progress took part in the seminar. Joanna Michalowska-Gumowska, minister of Education, and Boguslaw Kedzia, head of the PZPR CC Department of Science, Education and Scientific and Technical Progress met with the seminar participants. [Text] [Warsaw TRYBUNA LUDU in Polish 8-9 Feb 86 p 2] /8918

KOSZALIN EXPORT PROSPECTS--A conference to discuss the potential and conditions for the development of exports in the Koszalin voivod was held on 13 February 1986 at the "Kazel" electronics industry plants in Koszalin. Vice Premier Wl. Gwiazda, members of the Planning Commission board, and representatives of voivodship party and administration leadership took part in the conference. Vice Premier Gwiazda met with the voivodship party and administration leadership on the same day. They discussed the social and economic problems of the region. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Feb 86 p 2] /8918

SOVIET 'DRY PORT' TRANSSHIPMENT--Over 50,000 tons of lumber, more than 65,000 tons of fertilizer (potassium chloride) and nearly 32,000 tons of petroleum products to satisfy the needs of the Polish economy came into the country from the USSR in January 1986 via the transshipment station near the border at Dorohusk. In addition, over 500 tons of Soviet seedstock was supplied to Polish farmers in January by this route. Lively traffic through this railway "dry port" can be seen in February as well. About 6,000 tons of goods are transshipped here every day. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 p 1] /8918

BYELORUSSIAN COOPERATION IN FORESTRY--Representatives of the Byelorussian SSR Ministry of Forestry along with Minister Georgiy Markowski visited Poland on the invitation of the Ministry of Agriculture, Forestry and Food Economy. Programs for scientific and technical cooperation in 1986 were defined and a draft for a bilateral agreement on scientific and technical cooperation in 1986-90 was agreed upon. Subjects of joint R&D porjects included the problem of the harmful effects of industrial pollution on forest ecology and the development and implementation of effective biological means to deal with the harmful emissions. They also touched upon the question of cooperation in the production and supply of machinery needed by both countries for forestry work. A communique was signed on 15 February 1986 by Zbigniew Nocznicki, secretary of state in the Ministry of Agriculture, Forestry and Food Economy and by Minister Georgiy Markowski. [Text] [Warsaw TRYBUNA LUDU in Polish 17 Feb 86 p 2] /8918

CSO: 2600/278

USE OF GEOTHERMAL ENERGY EXPLORED

Bucharest REVISTA ECONOMICA in Romanian No 43, 25 Oct 85 pp 4-5

/Article by Prof Dr Oprea Parpala: "Geothermal Energy. A Local Resource in the Energy System of Romania's Agriculture"/

/Text/ In a period when natural energy resources are diminishing and there can no longer be any question of alternative energy because all forms of energy are becoming essential, the earth's heat as a primary and inexhaustible energy source can help to make up the energy balance in agriculture, especially since Romanian has "hot points" in the form of geothermal waters heated in the "furnace" of fossilized nuclear energy left from the gradual decomposition of radioactive elements in the course of the earth's aging.

Characteristics and Reserves of Geothermal Energy

Since geothermal energy is fed constantly by the flow of heat from the earth's core, it is renewable like the biomass, for example. But just as the biomass is renewable periodically, after one production cycle, so does exploitation of geothermal energy have to be interrupted periodically, if the exploitation flow is faster than that of the supply, for a period long enough for the energy reserve in the subsoil to be replenished.

"Hidden" in the earth's crust, geothermal energy must be brought to the surface in sufficient quantity and under strict technical control. Because of that characteristic, exploitation of geothermal energy requires tap drillings and transmission via a heat-transfer fluid.

As distinguished from other energy sources, geothermal energy has the advantage of actually requiring no storage system because the heat is stored by the geologic stratum itself from which the fluid is extracted by drilling. Furthermore geothermal energy can be produced at any time it is required.

But as a result most of the cost of this energy is in the fixed production costs, so that the commercial profitability of the investments in this field depends upon operation of the installations as closely as possible to their optimal productive capacity.

In Romania (4), Bihor County along with the other western counties of Arad, Satu Mare and Timis make up an area rich in geothermal waters, with temperatures up to 130°. The prospecting that was done indicated that a daily volume of 400,000 cubic meters could be expected, at temperatures of 50-100°. Within a variation of 35°, 14,000 gram calories can be obtained daily, or the equivalent of 2,000 tons of liquid fuel. It is estimated that the operable reserves of geothermal water incorporate a potential saving of about 1.5 million tons of conventional fuel, while only a 30th of that amount is being used today.

But the geologic prospecting indicated that there may be an abundance of hydrothermal deposits outside the western area, in the Olt Valley, the Southern Carpathians and Dobrogea. Yet it is estimated that by the year 2000 hydrothermal energy will provide 0.5 percent of Romania's energy supply at most. (5)

Uses of Geothermal Energy in Agriculture

Since ancient times man has used warm springs either for baths or directly to cook food. In medieval Europe thermal waters were used for domestic purposes or to heat dwellings. Geothermal energy did not come to be used on a wider scale, particularly to produce electricity, until the beginning of this century, so that it is now used both directly as a source of heat and indirectly by converting it to electric power.

Direct use takes the form primarily of exploiting the low-energy hydrothermal resources, especially to heat dwellings (whether rural or urban). Many countries are using geothermal energy for this purpose, permitting major savings in fuel oil, gas or electricity for household needs. Heating greenhouses is another field wherein agriculture already has considerable experience. Note that geothermal waters are being used for more and more agricultural purposes, such as raising mushrooms and fish, drying organic materials, and fermentation. Some agricultural uses require higher temperatures. Drying fodders, fungi and bread grains requires a temperature of 100° C, or 140° C for accelerated drying of agricultural products. At temperatures of 70-180° C, geothermal energy can be used for refrigeration or to make ice, using an ammonia absorption cycle.

In the western area of Romania wells are discharging 43,000 cubic meters a day at temperatures of 36-126° C. In addition to heating some dwellings, supplying Nufarul district of Oradea with household warm water, and heating the Strand Restaurant and the TBC /Tuberculosis/ Clinic, those geothermal waters are used for agricultural production, to heat 2 hectares of greenhouses in Sacueni Commune, 1 hectare of carnation greenhouses in Oradea, 1 hectare of vegetable hothouses in Bors, and 500 square meters of greenhouses for flowers in Harghita. The hog-raising complex for 22,000 head in the Sacuieni CUASC /not further identified/ is heated with geothermal waters also used at the Palota Hemp Rettery.

The previous drillings indicate total potential discharges of 3,000 cubic meters per second at an average temperature of 75-85° C and with a heating capacity equal to that of 1.9 million tons of lignite per year. Besides enlargement of the greenhouse for flowers in Oradea, these new resources will permit construction of 75 hectares of greenhouses in the most favorable thermal areas (30 hectares of greenhouses and 30 hectares of solariums are being built in a first stage from 1981 to 1985).

One of the chief inconveniences of geothermal energy is that it can be used only in immediate proximity to the drillings, while the mineral residues in the water are not only very corrosive but may also clog the equipment. But these inconveniences peculiar to geothermal energy do not justify incomplete use of the energy capacity of the wells in the western part of the country. For example, in Bihor County alone the wells in operation in 1981 have an energy capacity of about 50 gram calories per hour, of which only 25 gram calories per hour were consumed, and that is equivalent to an annual loss of about 22,000 tons of conventional fuel. The way to exploit this potential completely is to make an integrated use of the geothermal water by stages and throghout the year, a technical undertaking that is in a first stage of completion.

Conversion of geothermal energy to electric power, the world output of which reached 2.5 gigawatts in 1980, is of no practical interest to Romania because of the required average temperature of the steam (170-300° C compared with 36-126° C in Romania).

Special Systems and Technologies for Use of Hydrothermal Energy

The special systems and technologies for use of hydrothermal electric power are based on the differences in the temperatures required for various agricultural activities, namely 20° for incubating spawn in fish breeding, 30° for biodegrading and fermenting, 40° for heating soil, 50° for raising mushrooms, 60° for livestock breeding and combined heating of greenhouses (atmosphere and warm beds), 70° for refrigeration (lower thermal threshold), 80° for heating buildings and greenhouses, 100° for drying organic materials (fungi, grass, vegetables etc.) and for washing and drying wool, 140° for accelerated drying of agricultural products, etc.

The traditional hydrothermal systems, that is those making direct use of the heat obtained, are not optimal for use of geothermal energy because a good deal of the weat is thrown out with the residual water. Moreover that heat can no longer be converted to mechanical or electric power. The only solution is to introduce a secondary cycle permitting transfer of most of the surplus energy in the geothermal fluid to another fluid whose physical properties permit recovery of the mechanical power.

The efforts to use the geothermal waters in successive stages until the last particle of heat in them is extracted led to discovery of procedures whereby the geothermal water is used as a source of heat in a first stage and as technological water in a following stage. This process is used in two flax and hemp retting enterprises in Timis and Arad counties that use thermal water as a technological water after mixing it with cold water. It would be a great foreward step to use geothermal water at a moderate temperature to produce electric power and then to heat buildings and as warm household water, so that the last levels of heat could be used to produce biomass.

The bad effects upon the environment of exploitation of geothermal waters are slight but cannot be overlooked. The chief potential for pollution is chemical and thermal pollution of both subterranean and surface waters, especially by the mineral salts in the geothermal waters. That pollution can be prevented by special emphasis on piping and cementing the wells. Moreover in the case of the geothermal waters at moderate temperatures air pollution by the gases in the hydrothermal fluids (ammonia, hydrogen sulfide and methane) is insignificant, and with the exception of the drilling operations, noise pollution is slight. And finally, exploitation of this kind of geothermal resource has never caused landslides anywhere.

Economic Effectiveness of Hydrothermal Energy

When geothermal energy is in competition with other energy sources, the decision to exploit and use it must be based on definite economic criteria. Previous experience shows that the cost of geothermal energy chiefly depends upon the investments made, while its profitability depends upon regular use of the discharges of geothermal waters at a rate close to the maximum capacity of the wells.

In Romania use of geothermal waters in agriculture has favorably affected both production costs and the technological process and product quality. The cost of growing hothouse roses with hydrothermal heating at Sacueni has been about half that in the hothouses heated with traditional fuel at Madaras and Salonta. Use of geothermal waters in the Palota Hemp Rettery shortened the retting time by 3 percent, raised the profitability of the tow by 3-5 percent and improved its quality as well. Heating the hog farms in the Sacueni CUASC with geothermal waters shortened the fattening period by 20 percent (a gain in weight of 225 tons of meat) at an additional annual profit of 175,000 lei. Use of geothermal waters in fish breeding doubled the growth rate of the weight of the carp, while the used waters (from the fourth stage of use) can be used to raise loach.

Increasingly efficient exploitation of hydrothermal energy resources depends on application of a series of economic and organizational measures at the international, regional and national levels, with priority on those in the National Plan. Training of specialists, international exchange of experience, expanded research and development, financing expensive drillings, and formation of the necessary infrastructure are only a few of the measures needed for efficient exploitation of the nation's hydrothermal energy resources, whose contribution to the energy reserve, especially that of agriculture, cannot be underestimated.

FOOTNOTES

1. B. A. Staut, C. A. Myers, A. Honand and I. W. Faidley, "Energy for World Agriculture," FAO, Rome 1979 /not referenced in text/.

2. "Rapport du Groupe technique de l'energie geothermique sur sa deuxieme session," Comite preparatoire de la Conference des Nations Unies sur les ressources d'energie nouvelles et renouvelables, troisieme session, 30 mars - 17 avril 1981, Nations Unies, Assemblee generale /not referenced in text/.

3. "Heat of the Earth: an Inexhaustible Energy Source," SCINTEIA, 11 Jan 1983 /not referenced in text/.

4. "Energy Potential of Geothermal Waters As an Active Factor for Meeting the Economy's Energy and Material Requirements," REVISTA ECONOMICA, No 48 1978.

5. Mihai M. Pop, "Discovery and Use of New Energy Sources," REVISTA ECONOMICA, No 39, 1979.

ECONOMY ROMANIA

PLANS TO DEVELOP SHIPBUILDING INDUSTRY

Bucharest REVISTA ECONOMICA in Romanian No 43, 25 Oct 85 pp 10-11

[Article by Stefan Petresc, plan-production director, and Eng Ion Drasoveanu, Galati Central for Shipbuilding: "Shipbuilding To Meet the Economy's Demands"]

[Text] The session of the Political Executive Committee of the RCP Central Committee of 5 October 1985 examined and approved the Special Program To Develop Shipbuilding in the 1986-1990 Period. In view of the major increase in the total volume of Romania's sea freightage, the program calls for an increase by about 2 times in the Romanian Sea Fleet's capacity in the next five-year plan. It is also intended to increase the capacity of the River Fleet, so that the volume of that kind of shipping will be 1.9 times greater. For efficient fulfillment of the tasks in this important sector of the national economy, the program calls for emphasis on assimilation and manufacture of highly complex ships for carrying special cargoes along with improvement of the performances and modernization of the classes of ships for carrying general and bulk cargoes. It is also planned to enhance efficiency in operation by making the ships' drives more productive and lowering the fuel consumption of the engines to present world standards.

Implementation of this program is an important step in development of water transport for the national economy and for the transportation sector. It is chiefly incumbent upon the machine building industry and the shipbuilding sector to carry out the assignments.

This form of transportation must be expanded for at least two reasons, first because Romania's geographic position on the Black Sea and with waters with high discharges permits development of a strong shipbuilding sector and maintenance of extensive sea and river traffic, and second because, from the standpoint of economic effectiveness, water transport permits shipping large quantities of products at lower costs than the other transport systems.

The shipbuilding sector also shares in the extensive developmental process that Romanian socialist industry has undergone. Benefiting by considerable investment funds, the shiyards have been intensively developed since 1970, when the first program to develop the Romanian shipbuilding industry was approved for 1971-1975, and it was followed by two other programs, for 1976-1980 and 1981-1985. Actually in the last 15 years the shipyards in Constanta, Galati, Braila, Drobeta-Turnu Severin, Oltenita and Giurgiu were rebuilt and modernized, and new ones were constructed in Tulcea and Mangalia.

The efforts made to develop and modernize the shipyards made it possible to increase and diversify shipbouilding considerably. In the current five-year plan shipbuilding is 4.2 times greater than in the 1971-1975 Plan, and the Romanian fleet is being equipped with 74 ships of various classes and a total tonnage of 2,349,000 tons dead weight (This tonnage includes ships already built as well as those scheduled to be finished by the end of this year). In this period Romania's shipping fleet has been equipped with a highly diversified variety of ships with a present total capacity of 4.9 million tons dead weight. Regular efforts have been and are now being made to build some new classes of ships, chief among which are the oil tankers of 5,000, 35,000 and 150,000 tons dead weight under construction at the Constanta, Galati and Braila shipyards.

Construction of modern seagoing and river ships that are efficient in operation depends upon an effort of technical thought and know-how supported by Romanian industry as a whole. The program to build oil tankers, for example, includes assimilation and delivery of highly complex machinery and equipment by the respective enterprises, such as main engines consuming limited fuel and 1,250 kilovolt ampere diesel generators supplied by the Resita ICM [Machine Building Enterprise], turbine pumps supplied by the Bucharest IMG [Heavy Machine Enterprise], hydraulic installations supplied by the Braila Progresul IUG [Heavy Equipment Enterprise], installation for telemetering and supercontrol of temperature of the gases in the main engine and an installation for remote control of temperatures in tankers supplied by Iasi Tehnoton, etc., which are important to the operation of the ship. Along with the progress made in equipping the fleet with seagoing freighters, the current five-year plan has also developed the river and industrial fleet, and 339 vessels have been delivered to meet the domestic requirements.

In addition to increasing the number of vessels and their tonnage, emphasis has been placed on further diversification of production. A wide variety of ships in great demand by the national economy have been placed in manufacture, such as oil tankers from 5,000 to 150,000 tons dead weight, a fueling tanker of 1,200 tons dead weight, freighters of 4,500, 5,000, 7,500 and 15,000 tons dead weight, ore boats of 55,000 and 65,000 tons dead weight, roll on-roll off freighters for carrying vehicles, push boats of 1,600, 2,400 and 2,800 horsepower, tugboats for servicing harbors, et al. Actually it may be said that the fleet's most varied requirements can be well met by Romania's shipbuilding sector at present.

The quantitative and qualitative development of shipbuilding and its wide diversification were due to specialization of the shipyards in classes of vessels and to that of the machinery enterprises under the central for making the mechanisms and assemblies that are installed on ships. This permits optimal performance of the manufacturing processes, greater labor productivity, better standardization of the ships' components, and reduction of the manufacturing cycle. In connection with the last point, reduction of the manufacturing cycle, we wish to note that in addition to the measures initiated and implemented by the central's units (such as promoting advanced technologies, securing regular supply of places of work, mechanization of various operations, enhancing labor productivity, etc.), a major contribution can and should be made by the suppliers of raw materials, materials, components and subassemblies by delivering them punctually and in conformity with the concluded contracts. We must remember, for example, that the late arrival of assemblies means taking down the hatchways and even cutting into the metal walls of the ships, which tends to increase the handling costs by 3 or 4 times in addition to holding up completion of the products.

Furthermore reduction of the manufacturing cycle is a major aim for all Romanian shipyards, chiefly because they make and deliver a product incorporating considerable material and manpower values. Once launched, a ship begins to produce like any investment capacity. Economically speaking, curtailment of the manufacturing cycle makes major savings in production costs by lowering the outlays on maintenance of the completed and activated installations and those on amortization of the fixed assets (fitting wharves,the slipway or drydock for construction etc.), etc.

For the 1986-1990 Five-Year Plan, the program drafted under Party General Secretary Nicolae Ceausescu's direct supervision to implement the total volume of sea and river freightage assigns important tasks to all the shipbuilding units for improvement of the activity as a whole, so that construction of seagoing and river ships will be developed quantitatively and qualitatively in close correlation with the national economy's growing needs. In the next five-year plan construction of seagoing freighters is to be increased by more than 2 times and that of oil tankers by more than 2-4 times.

The manufacturing programs of the central's units specify construction and delivery to the national economy of new classes of ships of increasing complexity for special cargoes along with improvement of the performances and modernization of the classes of ships for carrying general and bulk cargoes, such as those for carrying liquefied gases,, ammonia, liquid fertilizers,edible oil and bulk goods and of 8,500 and 25,000 tons dead weight, freighters of 8,000 tons dead weight carrying containers, multipurpose tankers of 5,000 tons dead weight, freighters for carrying packets of lumber, seagoing passenger ships with 200 and 450 berths, et al. In view of the need of increasing shipping on rivers and navigable canals the program also assigns major tasks for augmenting the river shipping fleet by increasing construction of automotive ships by more than 5 times and that of nonautomotive craft by 1.8 times, while construction of industrial ships is to meet the demands of the various beneficiaries. It is noteworthy that in drafting the Program for Further Development of Shipbuilding, in conformity with the programs approved at the session of the Political Executive Committee of the RCP Central Committee of 5 October 1985, special emphasis was placed on curtailing the list of manufactures while a number of standardized ships are to be developed, resulting in various structural variants to meet the requirements of the domestic and foreign beneficiaries. Meanwhile measures were devised to provide the shipbuilding sector with materials and components made in Romania. As a result the degree of integration according to classes of ships will reach 97-100 percent by 1990.

Since the provisions of the program to develop shipbuilding in the next five-year plan provide maximum loading of the production capacities of the respective units on both their level and that of the industrial central, technical, technological and organizational measures were devised to permit a major quantitative and qualitative leap. It is also intended to reduce the material and manpower inputs and the manufacturing cycle, to raise the technical and qualitative standards of the entire output as well as the degree of standardization, to improve the organization of production and labor and the supply of work places, etc.

To this end very heavy emphasis will be placed on further promotion of technical progress and on introduction and expansion of advanced technologies in the course of it, as basic requirements for enhancing labor productivity and reducing the inputs of raw materials, materials, energy and fuel as well as the manufacturing cycles. It is accordingly planned to expand mechanized cutting of sheet steel at all shipyards by use of automatic cutting machines and automatic and semiautomatic welding to the extent of 70-72 percent of the total welding operations performed on a ship (It is intended to begin automatic welding of steel sheets as well as automatic welding of profiles on both sides in a single operation); to introduce technology for control and alignment of sections, unit-sections and axis lines using theodolite and laser equipment; to improve the technology for thermal zinc plating by immersion of the elements to be combined and the pipes in vats of zinc alloyed with aluminum; to mechanize operations for sanding and painting ships in the stage of sections and unit-sections, and to introduce technology for cleaning the hulls of ships in repair by using robot handlers and technology for vertical automatic welding of the couplings between the planking sections, etc.

Through such measures and others as well that provide for better collaboration with the suppliers of raw materials, materials, components and subassemblies, more intensive training of working personnel, less turnover and more stability of personnel, better organization of production at every work place, more rapid assimilation of the new classes of ships, etc. (in which the shipyard the respective educational and research units, the central and the competent ministry are engaged), the necessary conditions will be provided for improvement of the work in this important activity and for making seagoing and river freighters available to the national economy in accordance with its requirements.

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FEDERAL BUDGET FOR 1986 PUBLISHED

Belgrade SLUZBENI LIST SFRJ in Serbo-Croatian No 75, 31 Dec 85 pp 2205-2232

[Text] I. Summary Section

Article 1

The Federal Budget for 1986 contains the following:

1) the Federation's own revenues in the total amount of 663,730,000,000 dinars;

2) total expenditures, including the resources of the current budget reserve and the amount set aside for the permanent federal budget reserve-- in the amount of 1,103,390,400,000 dinars;

3) the difference between the total amount of expenditures and the total amount of the Federation's own revenues in the amount of 439,660,400,000 dinars;

4) the contributions of the republics and autonomous provinces--in the total amount of 439,660,400,000 dinars.

Article 2

The amount of 250,000,000 dinars is being set aside for the permanent federal budget reserve from the Federation's own revenues envisaged for financing the Federation's other functions and obligations and for the Federation's reserves for 1986.

Article 3

Revenues by types, forms and subforms and expenditures by basic purposes are set forth in the two partial sub-balances of the revenues and expenditures of the Federal Budget for 1985 in the amounts shown below:

SUB-BALANCE OF REVENUES AND EXPENDITURES TO FINANCE THE YUGOSLAV PEOPLE'S ARMY IN 1986

Classification Number			AMOUNT	
Revenue Form	Revenue Subform	I. REVENUES	Revenue Subform	Revenue Form
1	2	3	4	5
Type 03. Taxes on Product Sales and Service Charges				
03-1		Sales tax on products		388,200,000,000
	03-1-1	Part of the basic turnover tax	388,200,000,000	
		Total Type 03		388,200,000,000
Type 06. Customs Duties and Other Import Charges and Storage Charges				
06-1		Customs duties		156,142,800,000
06-2		Special import charges		95,257,200,000
	06-2-2	Special charge to equalize the tax burden on imported goods	80,134,900,000	
	06-2-3	Special charges for the keeping of customs records	15,115,700,000	
	06-2-4	Storage charges on goods stored in customs warehouses	6,600,000	
		Total Type 06		251,400,000,000
		Type 08. Revenues From Other Sociopolitical Communities		
08-1		Contributions of the republics and autonomous provinces		125,372,000,000
	08-1-1	Contribution of the Socialist Republic of Bosnia-Hercegovina	17,371,800,000	
	08-1-2	Contribution of the Socialist Republic of Macedonia	7,439,578,000	

08-1-3	Contribution of the Socialist Republic of Slovenia	19,736,614,000	
08-1-4	Contribution of the Socialist Republic of Serbia, exclusive of autonomous provinces	30,192,928,000	
08-1-5	Contribution of the Socialist Republic of Croatia	32,468,263,000	
08-1-6	Contribution of the Socialist Republic of Montenegro	2,646,034,000	
08-1-7	Contribution of the Socialist Autonomous Province of Vojvodina	14,917,505,000	
08-1-8	Contribution of the Socialist Autonomous Province of Kosovo	599,278,000	
	Total Type 08		125,372,000,000
	Total revenues for distribution (Types 03, 06, and 08)		764,972,000,000

Classification Number		II. DISTRIBUTION OF REVENUES	AMOUNT	
Distribution Group	Distribution Sub-Group		Distribution Subgroup	Distribution Group
1	2		4	5
		Basic Purpose 02. National Defense and Social Self-Protection		
02-1		Funds for the Yugoslav People´s Army		764,972,000,000
	02-1-1	Funds for the Yugoslav People´s Army in the current year	764,972,000,000	
		Total Basic Purpose 02		764,972,000,000
		Total distributed revenues of the Subbalance of Revenues and Expenditures to finance the Yugoslav People´s Army		764,972,000,000

SUB-BALANCE OF REVENUES AND EXPENDITURES TO FINANCE OTHER FUNCTIONS ANDOBLIGATIONS OF THE FEDERATION AND FOR THE RESERVES OF THE FEDERATION FOR 1986

Classification Number			AMOUNT	
Revenue Form	Revenue Subform	I. REVENUES	Revenue Subform	Revenue Form
1	2	3	4	5
		Type 05. Fees		
05-1		Administrative fees		4,919,900,000
	05-1-3	Consular fees	4,500,000,000	
	05-1-2	Customs fees	340,000,000	
	05-1-3	Other federal administrative fees	79,900,000	
05-3		Court fees		100,000
		Total Type 05		4,920,000,000
		Type 07. Revenues Under Specific Federal Enactments, Revenues of Administrative Agencies and Miscellaneous Revenues		
07-2		Revenues of federal administrative agencies		12,500,000,000
	07-2-1	Revenues of federal bodies, agencies and organizations	12,500,000,000	
07-4		Miscellaneous revenues		6,710,000,000
		Total Type 07		19,210,000,000
		Type 08. Revenues From Other Sociopolitical Communities		
08-1		Contributions of the republics and autonomous provinces		314,288,400,000
	08-1-1	Contribution of the Socialist Republic of Bosnia-Hercegovina	24,549,400,000	
	08-1-2	Contribution of the Socialist Republic of Macedonia	9,808,100,000	
	08-1-3	Contribution of the Socialist Republic of Slovenia	56,773,100,000	

	08-1-4	Contribution of the Socialist Republic of Serbia, not including autonomous provinces	86,851,000,000	
	08-1-5	Contribution of the Socialist Republic of Croatia	93,396,100,000	
	08-1-7	Contribution of the Socialist Autonomous Province of Vojvodina	42,910,700,000	
		Total Type 08		314,288,400,000
		Total revenues for distribution (Types 05, 07 and 08)		338,418,400,000

Classification Number		II. DISTRIBUTION OF REVENUES	AMOUNT	
Distribution Group	Distribution Sub-Group		Distribution Subgroup	Distribution Group
1	2		4	5
		Basic Purpose 01. Funds for Operation of Administrative Agencies		
01-1		Funds which workers realize as the income of the work community		23,505,395,000
	01-1-1	Funds for personal incomes	23,127,535,000	
	01-1-2	Funds for social services	377,860,000	
01-2		Funds for material costs		3,580,481,000
01-3		Funds for special purposes		44,543,124,000
	01-3-1	Funds for personal incomes and other personal benefits of officials and delegates	1,092,024,000	
	01-3-2	Other special purposes	23,412,250,000	
	01-3-3	Funds for general public purposes	20,038,850,000	
		Total Basic Purpose 01		71,629,000,000
		Basic Purpose 04. Funds Transferred to Other Sociopolitical Communities		

04-2		Supplemental funds		41,917,600,000
	04-2-1	Supplemental funds to the budgets of the republics and autonomous provinces	41,917,600,000	
		Total Basic Purpose 04		41,917,600,000
		Basic Purpose 05. Obligations to Finance Public Services		
05-9		For old-age and disability insurance		154,892,900,000
05-11		For welfare of disabled veterans		34,782,700,000
		Total Basic Purpose 05		189,675,600,000
		Basic Purpose 06. Other General Public Purposes		
06-2		Sociopolitical organizations		2,716,500,000
06-11		Compensation to the Social Accounting Service		394,800,000
06-12		Miscellaneous		23,000,000,000
		Total Basic Purpose 06		26,111,300,000
		Basic Purpose 07. Federal Reserve Funds		
07-1		Appropriation to the permanent budget reserve		250,000,000
07-2		Current budget reserve		859,900,000
		Total Basic Purpose 07		1,109,900,000
		Basic Purpose 08. Funds Placed in Time Deposits and Set Aside, Obligations and Other Purposes of Interest to the Federation		
08-4		Obligations under credits		7,975,000,000
	08-4-2	Long-term obligations from past years	7,975,000,000	
		Total Basic Purpose 08		7,975,000,000
	Total revenues distributed of the Sub-Balance of the Sub-balance of Revenues to Finance Other Functions and Obligations of the Federation and for the Reserves of the Federation in 1986			338,418,400,000

II. Detailed Section

Article 4

Expenditures in the amount of 764,972,000,000 dinars, as indicated in the Sub-Balance of Revenues and Expenditures to Finance the Yugoslav People´s Army, shall be distributed as follows:

Item No	Distribution Group and Subgroup	Basic and Detailed Purpose	AMOUNT	
			Item	Basic Purpose
1	2	3	4	5
		Section 1. Federal Secretariat for National Defense		
		Basic Purpose 02--National Defense and Social Self-Protection		
210	02-1-1	Funds for the Yugoslav People´s Army in the current year	764,972,000,000	
		Total Basic Purpose 02		764,972,000,000
		Total Section 1		764,972,000,000

Article 5

Expenditures in the amount of 338,418,400,000 dinars, as indicated by basic purposes in the Sub-Balance of Revenues and Expenditures to Finance Other Functions and Obligations of the Federation and for Reserves of the Federation in 1986, shall be distributed among entities disbursing and using the appropriations and by detailed purposes in the following amounts:

Item no	Distribution Group and Subgroup	Basic and Detailed Purpose	AMOUNT	
			Item	Basic Purpose
1	2	3	4	5
		Section 1. State Presidency of the Socialist Federal Republic of Yugoslavia		

Title 1. State Presidency

Basic Purpose 01--Funds for Operation of Administrative Agencies

1	01-1-1	Funds for personal incomes of personnel	182,141,000	
2	01-2	Funds for material costs	2,590,000	
3	01-3-1	Funds for personal incomes and other personal benefits of officials	34,666,000	
4	01-3-2	Compensation for separation from family	2,430,000	
5	01-3-2	Traveling expenses	2,730,000	
6	01-3-2	Postage-telegraph and telephone service	2,884,000	
7	01-3-2	Office supplies	5,500,000	
8	01-3-2	Entertainment	1,176,000	
9	01-3-2	Trips and visits	91,636,000	
10	01-3-2	Remuneration of nonstaff personnel	86,000	
11	01-3-2	Subscription to official gazettes, magazines, journals and newspapers	1,092,000	
12	01-3-2	Costs of manufacturing medals and decorations	36,000,000	
13	01-3-2	Costs of services	70,000	
14	01-3-2	Compensation for irregular working hours	1,170,000	
15	01-3-2	Purchase of uniforms and work clothes	666,000	
16	01-3-2	Addition to equipment, furnishings and fixtures	6,500,000	
17	01-3-2	Equipping and redecorating official housing	420,000	
18	01-3-2	Expenses of the Federal Council for Protection of Constitutional Order	168,000	
19	01-3-2	Expenses of the National Defense Council	150,000	
		Total Basic Purpose 01		372,075,000
		Total Title 1		372,075,000

Title 2. Department for Entertainment Facilities of the SFRY State Presidency

Basic Purpose 01--Funds for Operation of Administrative Agencies

20	01-1-1	Funds for personal incomes of personnel	87,325,000	
21	01-2	Funds for material costs	60,732,000	
22	01-3-2	Traveling expenses in Yugoslavia and abroad	134,000	
23	01-3-2	Addition to furnishings and fixtures	1,008,000	
24	01-3-2	Costs of maintaining structures, furnishings and fixtures	70,850,000	
25	01-3-2	Personal incomes of seasonal workers	840,000	
26	01-3-2	Remuneration of nonstaff personnel	900,000	
27	01-3-3	Costs of maintaining and using the villas on Brioni used for entertainment	170,000,000	
		Total Basic Purpose 01		391,789,000
		Total Title 2		391,789,000
		Total Section 1 (Items 1 through 27)		763,864,000

Section 2. SFRY Assembly

Basic Purpose 01--Funds for Operation of Administrative Agencies

28	01-1-1	Funds for personal incomes of personnel	779,758,000
29	01-2	Funds for material costs	17,080,000
30	01-3-1	Funds for personal incomes and other personal benefits of officials	614,907,000
31	01-3-2	Funds for housing construction representing 4 percent of personal incomes and other personal benefits of officials	24,597,000
32	01-3-2	Postal-telegraph and telephone services	44,492,000
33	01-3-2	Compensation for overtime	16,500,000
34	01-3-2	Remuneration of nonstaff personnel	1,999,000
35	01-3-2	Operating expenses of delegates and assembly bodies	140,000,000
36	01-3-2	Purchase of domestic and foreign books	460,000

37	01-3-2	Subscription to official gazettes, bulletins and journals and magazines	5,600,000	
38	01-3-2	Publication of transcripts	6,916,000	
39	01-3-2	Preparation of publications of the SFRY Assembly, information summaries, bulletins and other assembly materials	10,920,000	
40	01-3-2	Expenses of parliamentary delegations	39,643,000	
41	01-3-2	Costs of entertainment	1,937,000	
42	01-3-2	Purchase of clothing and footwear	4,587,000	
43	01-3-2	Services rendered by others	6,300,000	
44	01-3-2	Costs of maintaining the moto pool	48,546,000	
45	01-3-2	Printshop expenses	45,881,000	
46	01-3-2	Purchase of equipment and adaptation	17,860,000	
47	01-3-2	Share in preservation of the main museum layout of the Museum of the First and Second Session of AVNOJ [Antifascist Council for the National Liberation of Yugoslavia]	5,000,000	
48	01-3-2	Office supplies, minor items, paper and other expendables	138,880,000	
49	01-3-2	Operating expenses of special commissions	1,392,000	
50	01-3-2	Tito's Scholarship Fund for Young Workers and Workers' Children of Yugoslavia	1,050,000	
51	01-3-2	Redecorating and furnishing housing for official use	3,250,000	
52	01-3-2	Costs of holding elections and recall	140,000,000	
		Total Basic Purpose 01		2,117,825,000
		Total Section 2 (Items 28 through 52)		2,117,825,000

Section 3. Council of the Federation

Basic Purpose 01--Funds for Operation of Administrative Agencies

53	01-1-1	Funds for personal incomes of personnel	80,805,000
54	01-2	Funds for material costs	2,535,000

55	01-3-1	Funds for personal incomes and other personal benefits of officials	59,123,000	
56	01-3-2	Postage-telegraph and telephone service	2,405,000	
57	01-3-2	Traveling expenses in Yugoslavia	500,000	
58	01-3-2	Traveling expenses abroad	50,000	
59	01-3-2	Subcription to information materials and miscellaneous	1,430,000	
60	01-3-2	Costs of entertainment	60,000	
61	01-3-2	Purchase of clothing	500,000	
62	01-3-2	Purchase of equipment	500,000	
		Total Basic Purpose 01		147,908,000
		Total Section 3 (Items 53 through 62)		147,908,000

Section 4. Federal Executive Council

Title 1. Federal Executive Council

Basic Purpose 01—Funds for Operation of Administrative Agencies

63	01-1-1	Funds for personal incomes of personnel	399,302,000
64	01-2	Funds for material costs	65,283,000
65	01-3-1	Funds for personal incomes and other personal benefits of officials	85,200,000
66	01-3-2	Compensation for separation from family	4,650,000
67	01-3-2	Remuneration of nonstaff personnel	860,000
68	01-3-2	Costs of leasing compartments on the Yugoslav Railroads	10,000,000
69	01-3-2	Traveling expenses abroad	153,400,000
70	01-3-2	Purchase of equipment and parts	27,255,000
71	01-3-2	Funds for operating expenses of CEMA Commission	12,515,000
72	01-3-2	Costs of entertainment	9,800,000
73	01-3-2	Costs of international cooperation	39,650,000
74	01-3-2	Operating expenses of the Federal Legal Council	1,510,000
75	01-3-2	Operating expenses of the Federal Economic Council	1,350,000

76	01-3-2	Operating expenses of the Federal Social Council for Affairs of the Social System	8,890,000	
77	01-3-2	Operating expenses of the Federal Council for International Relations	4,010,000	
78	01-3-2	Operating expenses of the Council for Economic Development and Economic Policy	6,000,000	
79	01-3-2	Operating expenses of the Coordinating Committee for the Environments and Land Use Planning and Housing and Municipal Affairs	6,365,000	
80	01-3-2	Operating expenses of the Commission of the Federal Executive Council for Relations With Religious Communities	1,159,000	
81	01-3-2	Operating expenses of the Nuclear Energy Commission	545,000	
82	01-3-2	Expenses of the Yugoslav Committee for the International Geological Correlation Program	2,000,000	
83	01-3-2	Expenses of the Yugoslav Committee for the International Hydrological Program	5,544,000	
84	01-3-2	Educational grants	222,000	
85	01-3-2	Redecorating and equipping official housing	15,000,000	
86	01-3-2	Operating expenses of the Yugoslav Commission for Protection Against Pollution of the Sea and Inland Waterways	5,872,000	
87	01-3-2	Operating expenses of the Coordinating Committee for Science and Technology, Education and Culture, and Physical Education	2,886,000	
88	01-3-2	Funds to Finance Scientific Research Projects and Scientific Studies	169,000,000	
89	01-3-3	Funds for operation of the Fund of Solidarity With the Nonaligned Countries and Developing Countries	2,401,000	
		Total Basic Purpose 01		1,040,579,000
		Total Title 1		1,040,579,000

Title 2. Department for Personnel Affairs

Basic Purpose 01--Funds for Operation of Administrative Agencies

90	01-1-1	Funds for personal incomes	13,608,000	
91	01-2	Funds for material costs	840,000	
92	01-3-1	Funds for personal incomes and other personal benefits of officials awaiting reassignment and persons with special status	67,884,000	
		Total Basic Purpose 01		82,332,000
		Total Title 2		82,332,000

Title 3. Department of the Federal Executive Council for Defense Preparations

Basic Purpose 01--Funds for Operation of Administrative Agencies

93	01-1-1	Funds for personal incomes of personnel	34,991,000	
94	01-2	Funds for material costs	850,000	
95	01-3-3	Defense-related projects	17,160,000	
96	01-3-3	Funds being transferred for designated purposes to the Yugoslav People's Army	80,000,000	
		Total Basic Purpose 01		133,001,000
		Total Title 3		133,001,000

Title 4. "Josip Broz Tito" Memorial Center

Basic Purpose 01--Funds for Operation of Administrative Agencies

97	01-1-1	Funds for personal incomes of personnel	160,884,000
98	01-2	Funds for material costs	70,000,000
99	01-3-2	Travel expenses abroad	1,038,000
100	01-3-2	Addition to and purchase of equipment	20,000,000
101	01-3-2	Costs of exhibit-related activity	7,100,000

102	01-3-2	Costs of maintenance and major repairs	48,700,000	
103	01-3-2	Compensation for work on holidays and irregular working hours	500,000	
104	01-3-2	Remuneration of nonstaff personnel	1,000,000	
105	01-3-2	Expenses of operating and maintaining the house in Kumrovec where Tito was born	4,500,000	
106	01-3-2	Purchase of equipment for nationwide defense, self-protection and civil defense	9,413,000	
107	01-3-2	Costs of specialized education	200,000	
108	01-3-2	Costs of the meeting of scholars on the subject "Tito and the Nonaligned"	10,000,000	
109	01-3-2	Funds to Maintain Vange Island	57,222,000	
110	01-3-2	Publishing expenses	11,050,000	
		Total Basic Purpose 01		401,607,000
		Total Title 4		401,607,000
		Total Section 4 (Items 63 through 110)		1,657,519,000

Section 5. Constitutional Court of Yugoslavia

Basic Purpose 01--Funds for Operation of Administrative Agencies

111	01-1-1	Funds for personal incomes of personnel	64,466,000
112	01-2	Funds for material costs	6,400,000
113	01-3-1	Funds for personal incomes and other personal benefits of officials	40,514,000
114	01-3-2	Compensation for separation from family	1,440,000
115	01-3-2	Costs of proceedings	1,586,000
116	01-3-2	Publication of "Decisions and Opinions of the Constitutional Court of Yugoslavia" and "Bulletin of the Constitutional Court of Yugoslavia"	4,500,000
117	01-3-2	Travel expenses abroad	1,000,000
118	01-3-2	Travel expenses in Yugoslavia	2,100,000
119	01-3-2	Purchase of and addition to equipment	3,000,000

120	01-3-2	Expenses of hosting delegations	100,000	
121	01-3-2	Costs of entertainment	200,000	
		Total Basic Purpose 01		125.306,000
		Total Section 5 (Items 111 through 121)		125,306,000

Section 6. Federal Court

Basic Purpose 01--Funds for Operation of Administrative Agencies

122	01-1-1	Funds for personal incomes of personnel	67,200,000	
123	01-2	Funds for material costs	9,500,000	
124	01-3-1	Funds for personal incomes and other personal benefits of officials	36,884,000	
125	01-3-2	Compensation for separation from family	960,000	
126	01-3-2	Publication of Reports of Court Decisions	850,000	
127	01-3-2	Traveling expenses in Yugoslavia	350,000	
128	01-3-2	Traveling expenses abroad	455,000	
129	01-3-2	Translation into the languages of the nationalities and ethnic minorities	300,000	
130	01-3-2	Costs of conferences and of monitoring and studying social relations and developments	520,000	
131	01-3-2	Costs of court proceedings	100,000	
132	01-3-2	Purchase of and addition to equipment	1,400,000	
133	01-3-2	Current maintenance of the building and furnishings	200,000	
134	01-3-2	Expenses of hosting foreign delegations	600,000	
135	01-3-2	Costs of entertainment	160,000	
136	01-3-2	Awards and compensation to lay judges	300,000	
137	01-3-3	Defense-related projects	100,000	
		Total Basic Purpose 01		119,879,000
		Total Section 6 (Items 122 through 137)		119,879,000

Section 7. Federal Public Prosecutor' Office

Basic Purpose 01--Funds for Operation of Administrative Agencies

138	01-1-1	Funds for personal incomes of personnel	31,125,000	
139	01-2	Funds for material costs	2,340,000	
140	01-3-1	Funds for personal incomes and other personal benefits of officials	21,514,000	
141	01-3-2	Compensation for separation from family	720,000	
142	01-3-2	Traveling expenses abroad	1,236,000	
143	01-3-2	Translation of official court documents from and into foreign languages	80,000	
144	01-3-2	Costs of conferences and of monitoring and studying social relations and developments	70,000	
145	01-3-2	Traveling expenses in Yugoslavia	203,000	
146	01-3-2	Expenses of hosting foreign delegations	780,000	
147	01-3-2	Costs of entertainment	56,000	
148	01-3-2	Purchase of equipment	130,000	
149	01-3-3	Defense-related projects	30,000	
		Total Basic Purpose 01		58,284,000,000
		Total Section 7 (Items 138 through 149)		58,284,000,000

Section 8. Federal Solicitor General's Office

Basic Purpose 01--Funds for Operation of Administrative Agencies

150	01-1-1	Funds for personal incomes of personnel	21,906,000
151	01-2	Funds for material costs	1,600,000
152	01-3-1	Funds for personal incomes and other personal benefits of officials	5,968,000
153	01-3-2	Compensation for separation from family	240,000
154	01-3-2	Expenses of trial and executive proceedings and of representation in Yugoslavia	400,000

155	01-3-2	Expenses of conducting suits being tried abroad and traveling expenses	1,150,000	
156	01-3-2	Expenses of hosting foreign delegations	200,000	
157	01-3-2	Costs of entertainment	20,000	
158	01-3-2	Costs of meetings	250,000	
159	01-3-3	Defense-related projects	10,000	
		Total Basic Purpose 01		31,744,000
		Total Section 8 (Items 150 through 159		31,744,000

Section 9. Federal Public Defender of Self-Management Law

Basic Purpose 01--Funds for Operation of Administrative Agencies

160	01-1-1	Funds for personal incomes of personnel	18,498,000	
161	01-2	Funds for material costs	1,770,000	
162	01-3-1	Funds for personal incomes and other personal benefits of officials	7,965,000	
163	01-3-2	Compensation for separation from family	480,000	
164	01-3-2	Costs of conferences and seminars	190,000	
165	01-3-2	Expenses of hosting foreign delegations	10,000	
166	01-3-2	Purchase of equipment	100,000	
167	01-3-2	Costs of entertainment	35,000	
168	01-3-3	Defense-related projects	30,000	
		Total Basic Purpose 01		29,078,000
		Total Section 9 (Items 160 through 168)		29,078,000

Section 10. Federal Tribunal for Misdemeanors

Basic Purpose 01--Funds for Operation of Administrative Agencies

169	01-1-1	Funds for personal incomes of personnel	33,152,000	
170	01-2	Funds for material costs	1,400,000	

171	01-3-2	Compensation for separation from family	240,000	
172	01-3-2	Traveling expenses in Yugoslavia	200,000	
173	01-3-2	Operating expenses of ad hoc members of the Tribunal	100,000	
174	01-3-2	Purchase of equipment	500,000	
		Total Basic Purpose 01		35,592,000
		Total Section 10 (Items 169 through 174)		35,592,000

Section 11. Federal Secretariat for Foreign Affairs

Basic Purpose 01--Funds for Operation of Administrative Agencies

175	01-1-1	Funds for personal incomes of personnel	1,520,575,000
176	01-2	Funds for material costs	30,000,000
177	01-3-1	Funds for personal incomes and other personal benefits of officials	74,938,000
178	01-3-2	Remuneration of nonstaff personnel	2,184,000
179	01-3-2	Compensation for work at night, on Sundays and on holidays	5,880,000
180	01-3-2	Cost of entertainment	2,688,000
181	01-3-2	Expenses of delegations	47,040,000
182	01-3-2	Expenses of fixing boundaries with neighboring countries and of the Commission for Codification of International Law	7,000,000
183	01-3-2	Expenses of consultations and meetings of the group of nonaligned countries	12,000,000
184	01-3-2	Expenses of the host delegation's participation in the Conference on Security and Cooperation in Europe	12,000,000
185	01-3-2	Operation of radio equipment	120,000,000
186	01-3-2	Expenses of temporary housing	9,380,000
187	01-3-2	Compensation for separation from family	8,000,000
188	01-3-2	Collection and processing of archive materials	5,174,000
189	01-3-2	For purposes of documentation	150,000,000

190	01-3-2	Addition to and replacement of equipment	156,750,000	
191	01-3-2	Specialized training of personnel for the communications department	910,000	
192	01-3-3	Funds for operation of diplomatic and consular missions abroad	15,386,950,000	
193	01-3-3	Replacements of the travel documents of Yugoslav nationals abroad	36,600,000	
194	01-3-3	Physical and technical security measures	17,000,000	
195	01-3-3	Preparation of publications and documents on foreign policy	6,814,000	
196	01-3-3	Miscellaneous grants in aid in conformity with the principles of international solidarity	4,200,000	
197	01-3-3	Defense-related projects	350,000,000	
198	01-3-3	Specialized education of personnel	11.200,000	
199	01-3-3	Participation of the SFRY in financing UN peacekeeping forces in the Middle East	55,300,000	
200	01-3-3	Funds for scientific research work	180,000,000	
		Total Basic Purpose 01		18,482,583,000
		Total Section 11 (Items 175 through 200)		18,482,583,000

Section 12. Federal Secretariat for Internal Affairs

Title 1. The Secretariat

Basic Purpose 01--Funds for Operation of Administrative Agencies

201	01-1-1	Funds for personal incomes of personnel	3,294,200,000
202	01-2	Funds for material costs	450,000,00
203	01-3-1	Funds for personal incomes and other personal benefits of officials	2,800,000
204	01-3-2	For designated purposes	900,000,000
205	01-3-2	Purchase of clothing and footwear	107,800,000

206	01-3-2	Education and training of personnel	22,400,000	
207	01-3-2	Expenses of maintaining special-purpose facilities	78,540,000	
208	01-3-2	Moving expenses and shipping costs	11,900,000	
209	01-3-2	Compensation for separation from family	17,000,000	
210	01-3-2	Remuneration for occasional, temporary and other jobs	9,000,000	
211	01-3-2	Compensation for nighttime work	21,616,000	
212	01-3-2	Obligations under Article 43 of the Law on Performance of Law Enforcement Functions in the Jurisdiction of Federal Administrative Agencies	39,200,000	
213	01-3-3	Expenses of the transit-reception center for refugees	8,400,000	
214	01-3-3	Defense-related projects	30,000,000	
215	01-3-3	Equipping the police brigade	100,000,000	
		Total Basic Purpose 01		5,092,856,000
		Total Title 1.		5,092,856,000

Title 2. The Security Institute

Basic Purpose 01--Funds for Operation of Administrative Agencies

216	01-1-1	Funds for personal incomes of personnel	484,809,000
217	01-2	Funds for material costs	180,000,000
218	01-3-1	Funds for personal incomes and other personal benefits of officials	7,280,000
219	01-3-2	For designated purposes	298,600,000
220	01-3-2	Education and training of personnel	9,500,000
221	01-3-2	Preventive medicine, insurance of personnel and lump-sum grants-in-aid under Article 37 of the Law on Performance of Law Enforcement Functions in the Jurisdiction of Federal Administrative Agencies	3,000,000
222	01-3-2	Expenses of building maintenance	20,000,000
223	01-3-2	Moving expenses and shipping costs	3,000,000

224	01-3-2	Compensation for separation from family	1,000,000	
225	01-3-2	Remuneration for occasional, temporary and other jobs	1,000,000	
226	01-3-2	Expenses of the Center for Personnel Education and Training	6,860,000	
227	01-3-2	Obligations under Article 52 of the Law on Performance of Law Enforcement Functions in the Jurisdiction of Federal Administrative Agencies	1,500,000	
228	01-3-3	Defense-related projects	6,000,000	
229	01-3-3	Operating expenses of the Security and Social Self-Protection Institute incurred in rendering services to foreign services and to third parties in Yugoslavia	100,000,000	
		Total Basic Purpose 01		1,122,549,000
		Total Title 2		1,122,549,000
		Total Section 12 (Items 201 through 229)		6,215,405,000

Section 13. Federal Secretariat for Finance

Title 1. The Secretariat

Basic Purpose 01--Funds for Operation of Administrative Agencies

230	01-1-1	Funds for personal incomes of personnel	286,,472,000
231	01-1-2	Funds for social services of federal bodies, agencies and organizations	377,860,000
232	01-2	Funds for material costs	23,912,000
233	01-3-1	Funds for personal incomes and other personal benefits of officials	2,303,000
234	01-3-2	Compensation for separation from family	1,200,000
235	01-3-2	Funds for hot meals	772,000,000
236	01-3-2	Traveling expenses abroad	10,000,000
237	01-3-2	Free trade zone at Sezana	11,400,000
238	01-3-2	Differences in rates of exchange	375,541,000
239	01-3-2	Membership dues in international organizations	3,573,590,000

240	01-3-2	Cooperation with international financial organizations	600,000	
241	01-3-2	For designated purposes	7,334,000	
242	01-3-2	Funds for alignment of personal incomes in federal bodies and agencies	7,789,982,000	
243	01-3-3	Compensation for property nationalized in Yugoslavia	14,500,000	
244	01-3-3	Compensation and commissions paid to the Social Accounting Service	17,300,000	
245	01-3-3	Costs of leasing the Ethiopian Embassy	1,080,000	
246	01-3-3	Defense-related projects	91,000	
		Total Basic Purpose 01		13,265,165,000
		Basic Purpose 04--Funds Transferred to Other Sociopolitical Communities		
247	04-2	Supplemental funds to the Socialist Republic of Montenegro	1,968,100,000	
248	04-2	Supplemental funds to the Socialist Autonomous Province of Kosovo	39,949,500,000	
		Total Basic Purpose 04		41,917,600,000
		Basic Purpose 05--Obligations to Finance Social Services		
249	05-9	Supplemental funds to the Old-Age and Disability Insurance Community of SR [Socialist Republic] Montenegro to cover the deficit in the Old-Age and Disability Insurance Fund	1,733,800,000	
250	05-9	Funds for preferential pensions of military personnel under the provisions of the Law on the Obligations of the Federation for Pensions of War Veterans	13,408,000,000	
251	05-9	Funds for adjustment of military pensions	11,873,000,000	
252	05-9	Supplemental funds earmarked to cover the deficit in the Miliary Personnel Old Age Insurance Fund	46,452,000,000	
253	05-9	Unmet obligations from past years	757,400,000	

		Total Basic Purpose 05		74,224,200,000
		Basic Purpose 06--Other General Public Purposes		
254	06-11	Compensation to cover expenses of the Social Accounting Service for tasks in keeping records, monitoring, and preparing reports and analyses	394,800,000	
255	06-12	Funds for material reserves	15,000,000,000	
256	06-14	Noneconomic investments	8,000,000,000	
		Total Basic Purpose 06		23,394,800,000
		Basic Purpose 07--Federal Reserve Funds		
257	07-1	Appropriation to the permanent Federal reserve	250,000,000	
258	07-2	Current budget reserve	859,900,000	
		Total Basic Purpose 07		1,109,900,000
		Basic Purpose 08--Funds Placed in Time Deposits and Set Aside, Obligations and Other Purposes of Interest to the Federation		
259	08-4-2	Obligations under foreign loans and for foreign property nationalized	210,600,000	
260	08-4-2	Obligation of SAP Kosovo assumed to repay the foreign loan for the Ibar-Lepenac Hydropower System	1,400,000,000	
261	08-4-2	Funds to pay differences in rates of foreign exchange from past years	1,654,600,000	
262	08-4-2	Funds to repay international credits for improved transportation routes in SR Montenegro	1,190,000,000	
263	08-4-2	Contribution to the International Development Association (IDA)	119,000,000	
264	08-4-2	Member's share in the Inter-American Bank	550,500,000	
265	08-4-2	SFRY's member's share in the African Development Bank	349,300,000	

266	08-4-2	Special increase of the SFRY's share in the capital of the International Bank for Reconstruction and Development	665,000,000	
267	08-4-2	General increase of the capital of the International Bank for Reconstruction and Development	1,365,000,000	
268	08-4-2	Fourth Replenishment of the Resources of the African Development Fund	231,000,000	
269	08-4-2	SFRY's member's share in the joint fund for primary products	240,000,000	
		Total Basic Purpose 08		7,975,000,000
		Total Title 1		161,886,665,000
		Title 2. Federal Foreign Exchange Inspectorate		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
270	01-1-1	Funds for personal incomes of personnel	294,000,000	
271	01-2	Funds for material costs	14,364,000	
272	01-3-2	Remuneration of nonstaff personnel in foreign exchange inspectorates in the republics	42,000	
273	01-3-2	Traveling expenses of foreign exchange inspectors in Yugoslavia	7,274,000	
274	01-3-2	Leasing and maintenance of office space	7,315,000	
275	01-3-2	Traveling expenses abroad	2,800,000	
276	01-3-2	Purchase of equipment	840,000	
277	01-3-2	Costs of entertainment	12,000	
278	01-3-3	Defense-related projects	50,000	
		Total Basic Purpose 01		326,697,000
		Total Title 2		326,697,000
		Total Section 13 (Items 230 through 278		162,213,362,000

290	01-1-1	Funds for personal incomes of personnel	134,000,000	
291	01-2	Funds for material costs	9,000,000	
292	01-3-1	Funds for personal incomes and other personal benefits of officials	2,695,000	
293	01-3-2	Compensation for separation from family	840,000	
294	01-3-2	Traveling expenses abroad	700,000	
295	01-3-2	Costs of international cooperation	700,000	
296	01-3-2	Traveling expenses in Yugoslavia	1,600,000	
297	01-3-2	Costs of data processing	90,000	
298	01-3-2	Funds to finance costs related to analyzing and forecasting economic trends	14,000,000	
299	01-3-2	Purchase of equipment	2,500,000	
300	01-3-3	Defense-related projects	110,000	
		Total Basic Purpose 01		166,235,000
		Total Title 1		166,235,000

Title 2. Federal Market Inspectorate

Basic Purpose 01--Funds for Operation of Administrative Agencies

301	01-1-1	Funds for personal incomes of personnel	156,436,000
302	01-2	Funds for material costs	5,600,000
303	01-3-2	Compensation for overtime and work on holidays	420,000
304	01-3-2	Traveling expenses abroad	50,000
305	01-3-2	Remuneration of authorized organizations and specialists for checking the quality of products being imported	1,350,000
306	01-3-2	Expenses of inspection for quality	1,700,000
307	01-3-2	Rent	3,500,000
308	01-3-2	Expenses of international cooperation	20,000
309	01-3-2	Compensation for expert testimony and expert evaluation	1,000,000
310	01-3-2	Purchase of equipment	530,000
311	01-3-2	Purchase of specialized publications	450,000

312	01-3-2	Traveling expenses of market inspectors in Yugoslavia	12,000,000	
313	01-3-2	Costs of entertainment	12,000	
314	01-3-2	Compensation for separation from family	480,000	
315	01-3-2	Purchase of uniforms and footwear	1,300,000	
		Total Basic Purpose 01		184,848,000
		Total Title 2		184,848,000
		Title 3. Federal Directorate for Commodity Reserves		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
316	01-1-1	Funds for personal incomes of personnel	187,975,000	
317	01-2	Funds for material costs	20,500,000	
318	01-3-2	Compensation for separation from family	1,000,000	
319	01-3-2	Traveling expenses in Yugoslavia and abroad	5,366,000	
320	01-3-2	Costs of entertainment	60,000	
321	01-3-2	Costs of maintaining furnishings and fixtures and purchasing equipment	1,600,000	
322	01-3-2	Studies, analyses, journals and magazines	1,000,000	
323	01-3-2	Stipends for students	192,000	
324	01-3-3	Defense-related projects	150,000	
		Total Basic Purpose 01		217,843,000
		Total Title 3		217,843,000
		Title 4. Federal Bureau for prices		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
325	01-1-1	Funds for personal incomes of personnel	53,641,000	
326	01-2	Funds for material costs	3,500,000	
327	01-3-2	Costs of printing publications	160,000	

328	01-3-2	Purchase of equipment	1,000,000	
329	01-3-2	Expenses of holding meetings of the Council	4,160,000	
330	01-3-2	Expenses of professional cooperation with the authorities of the community for price affairs of the republics and provinces	200,000	
331	01-3-2	Compensation for separation from family	240,000	
332	01-3-2	Costs of drafting materials to elaborate existing sub-legal enactments	170,000	
333	01-3-2	Translation into the languages of the nationalities and ethnic minorities	90,000	
334	01-3-3	Defense-related projects	100,000	
		Total Basic Purpose 01		63,261,000
		Total Title 4		63,261,000
		Total Section 15 (Items 290 through 334		632,187,000

Section 16. Federal Secretariat for Jurisprudence and Organization of the Federal Administration

Title 1. The Secretariat

Basic Purpose 01--Funds for Operation of Adminstrative Agencies

335	01-1-1	Funds for personal incomes of personnel	80,196,000
336	01-2	Funds for material costs	2,900,000
337	01-3-1	Funds for personal incomes and other personal benefits of officials	2,678,000
338	01-3-2	Compensation for separation from family	240,000
339	01-3-2	Extradition proceedings	3,500,000
340	01-3-2	Traveling expenses abroad	700,000
341	01-3-2	Translation of petitions and documents from foreign languages	40,000

342	01-3-2	Costs of expert testimony and litigation costs	107,000	
343	01-3-2	Expenses incurred in drafting enactments	1,500,000	
344	01-3-2	Operating expenses of the Coordinating Committee for Relations in Property Law	120,000	
345	01-3-2	For designated purposes	142,768,000	
346	01-3-3	Participation in financing international meetings and other undertakings	187,000	
347	01-3-3	Defense-related projects	41,000	
		Total Basic Purpose 01		234,977,000
		Total Title 1		234,977,000

Title 2. Bureau for Upgrading the Federal Administration

Basic Purpose 01--Funds for Operation of Administrative Agencies

348	01-1-1	Funds for personal incomes of personnel	22,128,000	
349	01-2	Funds for material costs	600,000	
350	01-3-2	Compensation for separation from family	240,000	
351	01-3-2	Traveling expenses abroad	70,000	
352	01-3-2	Purchase of specialized literature	20,000	
353	01-3-2	Expenses of specialized education of the personnel of federal bodies and agencies and federal organizations	400,000	
354	01-3-2	Expenses of publishing the Bureau's Bulletin	400,000	
355	01-3-2	Expenses of preparing topic reviews and studies	26,000	
		Total Basic Purpose 01		23,884,000
		Total Title 2		23,884,000

Title 3. Data Processing Bureau of Federal Bodies and Agencies

Basic Purpose 01--Funds for Operation of Administrative Agencies

356	01-1-1	Funds for personal incomes of personnel	75,721,000	
357	01-2	Funds for material costs	6,750,000	
358	01-3-2	Traveling expenses abroad	300,000	
359	01-3-2	Purchase of specialized literature	3,000,000	
360	01-3-2	Material costs incurred in publishing and storing documentary and information materials	310,000	
361	01-3-2	Operating costs of the electronic computer	4,000,000	
362	01-3-2	Costs of preparing designs of the information system	320,000	
363	01-3-2	Purchase of equipment	3,460,000	
364	01-3-2	Advanced specialized training--advanced specialized raining abroad	2,000,000	
		Total Basic Purpose 01		95,861,000
		Total Title 3		95,861,000

Title 4. Funding Programs of Independent Institutions and Organizations

Basic Purpose 01--Funds for Operation of Administrative Agencies

365	01-3-2	Funds to carry out the work program of the Institute for Comparative Law	12,000,000
366	01-3-2	Compensation to medical institutions for rendering services to personnel in federal bodies and agencies	3,000,000
367	01-3-2	Funds to carry out the work program of the Museum of the Revolution of the Nationalities and Ethnic Minorities of Yugoslavia	55,000,000
368	01-3-2	Funds for the AVNOJ Prize	7,980,000
369	01-3-2	Mosa Pijade Fund for Advancement of Representational Art	8,000,000
370	01-3-2	Funds for operation of the Commission on Objects Bearing the Likeness of Josip Broz Tito	350,000

371	01-3-2	Edvard Kardelj Prize	2,700,000	
		Total Basic Purpose 01		89,030,000
		Total Title 4		89,030,000
		Total Section 16 (Items 335 through 371)		443,752,000

Section 17. Federal Secretariat for Information

Basic Purpose 01--Funds for Operation of Administrative Agencies

372	01-1-1	Funds for personal incomes of personnel	166,681,000
373	01-2	Funds for material costs	8,670,000
374	01-3-1	Funds for personal incomes and other personal benefits of officials	2,548,000
375	01-3-2	Subscription to newspapers and magazines and publications	2,660,000
376	01-3-2	Expenses of hosting foreign guests and journalists	8,260,000
377	01-3-2	State visits--foreign newsmen accompanying heads of state	2,514,000
378	01-3-2	Schooling of newsmen from the nonaligned countries	9,400,000
379	01-3-2	Publication of bulletins and expenses of holding press conference and publishing activity related to the work of the Federal Executive Council	6,202,000
380	01-3-2	Performance of the international relations program of the Federation of Yugoslav Journalists	2,680,000
381	01-3-2	Operating expenses of the Council for the Social Information System of the SFRY	1,400,000
382	01-3-2	Expenses of multilateral cooperation of the nonaligned developing countries	350,000
383	01-3-2	Addition to and replacement of equipment	110,000

384	01-3-3	Publishing activity, press releases, purchase of publications about Yugoslavia in foreign languages, news and documentary films, news photos, exhibits, special projects, the Secretariat's operating fund and costs of shipping information and propaganda material	63,820,000	
385	01-3-3	Purchase of periodicals intended for foreign countries	155,120,000	
386	01-3-3	Radiobroadcasting for foreign countries	396,200,000	
387	01-3-3	Radio programs and news coverage and TV programs intended for abroad	2,808,000	
388	01-3-3	News agency services	1,008,770,000	
389	01-3-3	Expenses of preparing newsreels	70,000,000	
390	01-3-3	Information, propaganda and culture and entertainment activity aimed at Yugoslav workers and emigres abroad	33,600,000	
391	01-3-3	Informing the foreign public over radio and television	23,040,000	
392	01-3-3	International Press Center in Belgrade	42,140,000	
393	01-3-3	Defense-related projects	18,700,000	
394	01-3-3	Nationwide defense and social self-protection in the public information system	30,940,000	

Total Basic Purpose 01 — 2,056,613,000

Total Section 17 (Items 372 through 394) — 2,056,613,000

Section 18. Federal Committee for Energy and Industry

Basic Purpose 01--Funds for Operation of Administrative Agencies

395	01-1-1	Funds for personal incomes of personnel	161,400,000
396	01-2	Funds for material costs	9,000,000
397	01-3-1	Funds for personal incomes and other personal benefits of officials	2,272,000

398	01-3-2	Expenses of international cooperation within Yugoslavia	1,750,000	
399	01-3-2	Traveling expenses abroad	5,200,000	
400	01-3-2	Compensation of commission members and nonstaff personnel	250,000	
401	01-3-2	Expenses of holding meetings of the Committee	600,000	
402	01-3-2	Compensation for separation from family	2,200,000	
403	01-3-2	Expenses of carrying out the work program of the Nuclear Energy Commission of the Federal Executive Council	700,000	
404	01-3-2	Preparation of studies and analyses	400,000	
405	01-3-2	Addition to equipment	520,000	
406	01-3-3	Defense-related projects	500,000	
		Total Basic Purpose 01		184,792,000
		Total Section 18 (Items 395 through 406)		184,792,000
		Section 19. Federal Committee for Agriculture		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
407	01-1-1	Funds for personal incomes of personnel	403,628,000	
408	01-2	Funds for material costs	8,000,000	
409	01-2	Funds for material costs of border stations	30,800,000	
410	01-3-1	Funds for personal incomes and other personal benefits of officials	2,490,000	
411	01-3-2	Expenses of international cooperation in water management	1,500,000	
412	01-3-2	Monitoring chemicals for plant pest and disease control	300,000	
413	01-3-2	Expenses of monitoring chemicals for livestock pest and disease control	120,000	
414	01-3-2	Compensation of members of special commissions	700,000	
415	01-3-2	Performance of measures in the border zone in the field of veterinary science and plant pest and disease control	4,300,000	

416	01-3-2	Expenses of international cooperation in the fields of agriculture and forestry	4,300,000
417	01-3-2	Expenses of holding meetings of the Committee	950,000
418	01-3-2	For holding seminars, giving courses and preparing enactments in the field of veterinary science and plant pest and disease control	3,300,000
419	01-3-2	Remuneration of nonstaff personnel in the field of plant pest and disease control at border crossings	500,000
420	01-3-2	For monitoring movements of plant pests and diseases on the quarantine list	1,600,000
421	01-3-2	Compensation for overtime in the field of veterinary science at border crossings	400,000
422	01-3-2	Compensation for overtime in the field of plant pest and disease control at border crossings	600,000
423	01-3-2	Certification of new varieties and issuance of permits for production of seeds and nursery stock	5,500,000
424	01-3-2	Remuneration of nonstaff personnel for animal pest and disease control at the border	750,000
425	01-3-2	For verification and application of new technologies and techniques in agriculture and forestry in accordance with the policy governing economic development in 1986	4,500,000
426	01-3-2	Preparation and printing of instructions for administering regulations and carrying out measures under the jurisdiction of the Federation	2,300,000
427	01-3-2	Holding fairs, exhibitions, conferences, symposiums and congresses for the advancement of agriculture	2,200,000
428	01-3-2	Monitoring, establishing and carrying on cooperation with countries with which Yugoslavia has intergovernmental committees and commissions,	

		and especially with the developing countries	1,200,000
429	01-3-2	Purchase of and addition to equipment	1,000,000
430	01-3-2	Costs of ascertaining the behavior of active ingredients of pesticides	700,000
431	01-3-2	Operating expenses of the commissions of the working bodies of the Committee	900,000
432	01-3-2	Diagnosis of virus diseases	600,000
433	01-3-2	Final preparation of integrated measures for plant pest and disease control and introduction of nonpesticidal measures to combat plant diseases and pests	1,500,000
434	01-3-2	Compensation for separation from family	900,000
435	01-3-2	Participation in drafting the initiatory program for establishing the causes of and taking measures to correct the large-scale withering of important tree species	900,000
436	01-3-2	Compensation of work at night and on holidays in the field of veterinary science at border crossings	850,000
437	01-3-2	Operating expenses of the Farm Policy Council of the Federal Committee for Agriculture	2,300,000
438	01-3-2	Compensation for work at night and on holidays in the field of plant pest and disease control at border crossings	850,000
439	01-3-2	Expenses of the inspectorate of the Committee for Inspection of Export Packinghouses	700,000
440	01-3-2	Costs of maintaining and using airplanes for fighting forest fires	779,000,000
441	01-3-2	Participation in preparing the manual Pesticidi u privredi i sumarstvu Jugoslavije (Pesticides in the Economy and Forestry of Yugoslavia)	400,000
442	01-3-2	Expenses of maintaining office space at border stations	1,000,000

443	01-3-2	Expenses of printing bulletins on the condition and movement of infectious diseases of animals	700,000	
444	01-3-2	Operating expenses of the Yugoslav Commission for Cooperation with the United Nations Food and Agriculture Organization (FAO)	3,506,000	
445	01-3-2	Defense-related projects	1,300,000	
		Total Basic Purpose 01		1,277,044,000
		Total Section 19 (Items 407 through 445)		1,277,044,000
		Section 20. Federal Committee for Transportation and Communications		
		Title 1. The Committee		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
446	01-1-1	Funds for personal incomes of personnel	145,601,000	
447	01-2	Funds for material costs	14,225,000	
448	01-3-1	Funds for personal incomes and other personal benefits of officials	2,418,000	
449	01-3-2	Drafting of technical regulations	1,300,000	
450	01-3-2	Costs of international cooperation	1,200,000	
451	01-3-2	Traveling expenses abroad	9,880,000	
452	01-3-2	Compensation of commission members and nonstaff personnel	400,000	
453	01-3-2	Printing international licenses and permits in the transportation sector	3,000,000	
454	01-3-2	Purchase of and addition to equipment	2,300,000	
455	01-3-2	Expenses of participation of Jugoregistar specialists on projects of interest to the Federation	7,640,000	
456	01-3-2	Compensation for separation from family	1,000,000	
457	01-3-2	Funds for designated purposes	500,000	
458	01-3-2	Costs of committee meetings	988,000	

459	01-3-2	Compensation for old-age and health insurance of Yugoslav nationals employed temporarily in the Secretariat of the Danube Commission	975,000	
460	01-3-2	Maintaining regular air service between Belgrade and Tirana in both directions	26,416,000	
461	01-3-2	Maintaining regular air service between Belgrade and Malta in both directions	29,025,000	
462	01-3-2	Maintaining regular air service between Belgrade and Cyprus in both directions	29,430,000	
463	01-3-2	Compensation of airports for work to meet the needs of air traffic safety	39,022,000	
464	01-3-3	For safe navigation in maritime shipping	240,000,000	
465	01-3-3	For safe navigation in river shipping	400,000,000	
466	01-3-3	Defense-related projects	500,000	
467	01-3-3	Funds for the work of the Geomagnetic Institute on projects of interest to the Federation	90,000,000	
468	01-3-3	Funds to cover obligations resulting from passes issued in passenger transportation	400,000,000	
		Total Basic Purpose 01		1,445,820,000
		Total Title 1		1,445,820,000

Title 2. Federal Flight Control Administration

Basic Purpose 01--Funds for Operation of Administrative Agencies

469	01-1-1	Funds for personal incomes of personnel	2,004,110,000
470	01-2	Funds for material costs	17,500,000
471	01-3-2	Operation of facilities	789,000,000
472	01-3-2	Rent	6,649,000
473	01-3-2	Costs of Aircraft Use	170,365,000
474	01-3-2	Compensation for work at night, on holidays and overtime	80,851,000
475	01-3-2	Remuneration of nonstaff personnel	100,000
476	01-3-2	Costs of vehicle use	35,000,000

477	01-3-2	Insurance expenses	30,000,000	
478	01-3-2	Traveling expenses in Yugoslavia	60,000,000	
479	01-3-2	Printshop expenses	7,000,000	
480	01-3-2	Purchase of clothing and footwear	31,850,000	
481	01-3-2	Bank service charges	23,400,000	
482	01-3-2	Traveling expenses abroad	8,000,000	
483	01-3-2	Purchase of equipment for safety in the workplace	7,000,000	
484	01-3-2	Addition to furnishings and fixtures	6,000,000	
485	01-3-2	Postage, telegraph and telephone service	147,000,000	
486	01-3-2	Guarding and insuring property	18,510,000	
487	01-3-2	Medical examinations of controllers, pilots, technicians and chauffeurs	10,000,000	
488	01-3-2	Purchase of school supplies and textbooks for training programs	1,000,000	
489	01-3-2	Costs of entertainment	160,000	
490	01-3-2	Expenses paid under military regulations	8,000,000	
491	01-3-2	Education of personnel	20,000,000	
492	01-3-2	Expenses of resurveying air navigation charts	9,000,000	
493	01-3-3	Defense-related projects	360,000	
		Total Basic Purpose 01		3,490,855,00
		Total Title 2		3,490,855,000

Title 3. Federal Admininstration for Radio Communication

Basic Purpose 01--Funds for Operation of Administrative Agencies

494	01-1-1	Funds for personal incomes of personnel	118,684,000
495	01-2	Funds for material costs	2,800,000
496	01-3-2	Compensation for nighttime work	50,000
497	01-3-2	Maintaining monitoring and measuring centers	2,000,000
498	01-3-2	Property insurance	5,500,000
499	01-3-2	Purchase of and addition to equipment	700,000
500	01-3-2	Expenses of the motor pool	4,000,000

501	01-3-2	Traveling expenses in Yugoslavia	2,500,000	
502	01-3-2	Traveling expenses abroad	3,467,000	
503	01-3-2	Expenses of participating in the 14th Plenary Assembly of CCIR	700,000	
504	01-3-2	Purchase of clothing and footwear	120,000	
505	01-3-2	Drafting of specialized and technical regulations, instructions and studies	50,000	
506	01-3-2	Data processing of information and documentation	2,000,000	
507	01-3-2	Expenses of current and capital maintenance of one-sixth of the office space at the Rijeka Monitoring and Measuring Center	800,000	
508	01-3-2	Postage-telegraph and telephone service	2,500,000	
509	01-3-2	Adaptation of space to accommodate computer equipment	1,200,000	
510	01-3-2	Obligations to the International Telecommunications Union and other payments	3,000,000	
511	01-3-2	Funds for material costs of monitoring and measuring stations	2,000,000	
512	01-3-2	Expenses for separation from family	1,500,000	
513	01-3-3	Defense-related projects	150,000	
		Total Basic Purpose 01		153,721,000
		Total Title 3		153,721,000

Title 4. Federal Aviation Inspectorate

Basic Purpose 01--Funds for Operation of Administrative Agencies

514	01-1-1	Funds for personal incomes of personnel	81,536,000
515	01-2	Funds for material costs	7,063,000
516	01-3-2	Expenses of aircraft and automobile use	8,000,000
517	01-3-2	Purchase of clothing and equipment	1,170,000
518	01-3-2	International cooperation	10,000
519	01-3-2	Traveling expenses abroad	3,700,000
520	01-3-2	Remuneration of nonstaff personnel	50,000

521	01-3-2	Traveling expenses in Yugoslavia	5,460,000	
522	01-3-2	Purchase of and addition to equipment	1,000,000	
523	01-3-2	Translation costs	15,000	
524	01-3-2	Costs of organizing conferences	30,000	
525	01-3-2	Expenses of specialized education and training	50,000	
526	01-3-2	Compensation for work at night and on holidays	50,000	
527	01-3-2	Costs of entertainment	15,000	
528	01-3-2	Compensation for transporting personnel to and from work	1,538,000	
529	01-3-3	Defense-related projects	22,000	
		Total Basic Purpose		109,709,000
		Total Title 4		109,709,000
		Total Section 20 (Items 446 through 529)		5,200,105,000
		Section 21. Federal Committee for Labor, Health and Social Welfare		
		Title 1. The Committee		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
530	01-1-1	Funds for personal incomes of personnel	239,400,000	
531	01-2	Funds for material costs	7,560,000	
532	01-3-1	Funds for personal incomes and other personal benefits of officials	2,548,000	
533	01-3-2	Traveling expenses abroad	8,512,000	
534	01-3-2	Traveling expenses in Yugoslavia	1,694,000	
535	01-3-2	Traveling expenses of foreign specialists and their Yugoslav escorts, expenses related to meetings and negotiations with foreign delegations and diplomatic and other representatives	1,176,000	

536	01-3-2	Compensation of members of standing specialized committees	1,764,000
537	01-3-2	Expenses of holding meetings of the Committee and its bodies for preparation of the health service for nationwide defense	780,000
538	01-3-2	Costs of publishing reports of the labor inspectorate and public health inspectorate	150,000
539	01-3-2	Certain projects in the field of the pharmaceutical service and medical supply of interest to the Federation which will be contracted out to appropriate professional institutions	805,000
540	01-3-2	Purchase of and addition to equipment	2,000,000
541	01-3-2	Remuneration of parttime and nonstaff personnel	2,700,000
542	01-3-2	Compensation for overtime related to public health control at the border	420,000
543	01-3-2	Rent and maintenance on office space for border public health control	4,816,000
544	01-3-2	Purchase of uniforms for border public health inspectors	336,000
545	01-3-2	Expenses of protecting the country against the importation of infectious diseases	6,000,000
546	01-3-2	Expenses of analyzing medical drugs	924,000
547	01-3-2	Expenses related to public health control at the border	6,100,000
548	01-3-2	Expenses of medical treatment of foreign nationals in Yugoslavia	840,000
549	01-3-2	Protection against ionizing radiation	360,000
550	01-3-2	Material support and housing of refugees	15,478,000
551	01-3-2	Certain projects in the field of health care which have a direct bearing on performance of the Federation's function, which are to be contracted out to the Federal Bureau for Health Care	38,000,000

552	01-3-2	Expenses of monitoring the pollution of international and interrupublic waters	7,200,000	
553	01-3-2	Operating expenses of the intersector working group to coordinate the effort of federal agencies in carrying out the decisions of the United Nations World Conference of the International Year of Women	2,016,000	
554	01-3-2	Yugoslavia's obligations as a member of the World Health Organization	126,000	
555	01-3-2	Expenses of preparing the Yugoslav Pharmacopoeia	2,200,000	
556	01-3-2	Expenses of preparing regulations on health standards governing foodstuffs and articles for personal hygiene	672,000	
557	01-3-2	Operating expenses of the Yugoslav Commission for Cooperation with UNICEF	3,479,000	
558	01-3-3	Financing programs directed toward Yugoslav nationals working abroad	14,000,000	
559	01-3-3	Funds for May Day Prizes	6,848,000	
560	01-3-3	Costs of preparing the classification of occupations	2,360,000	
561	01-3-3	Defense-related projects	336,000	
562	01-3-3	Contribution to the United Nations Fund for Population Programs	555,000	
563	01-3-3	Expenses of preparing regulations on auxiliary medical supplies and other regulations implementing the Law on Sale of Drugs	300,000	
564	01-3-3	Funds to carry out the program and operating expenses of the Yugoslav Committee of the UN Decade of the Disabled 1983-1992	3,000,000	
		Total Basic Purpose 01		385,455,000
		Total Title 1		385,455,000

Title 2. Federal Bureau for Employment Security

Basic Purpose 01--Funds for Operation of Administrative Agencies

565	01-1-1	Funds for personal incomes of personnel	70,700,000	
566	01-2	Funds for material costs	6,313,000	
567	01-3-2	Material costs of standing joint commissions which Yugoslavia has with foreign countries	2,100,000	
568	01-3-2	Compensation for separation from family of social workers abroad and expenses of sending those social workers abroad	5,800,000	
569	01-3-2	Expenses of printing and publishing bulletins and reports	907,000	
570	01-3-2	Official trips in Yugoslavia	1,579,000	
571	01-3-2	Purchase of and addition to equipment	700,000	
572	01-3-2	Traveling expenses abroad	3,234,000	
573	01-3-2	Purchase of specialized literature	110,000	
574	01-3-2	Education and upbringing of the children of Yugoslavs employed abroad temporarily	2,500,000	
575	01-3-3	Defense-related projects	89,000	
		Total Basic Purpose 01		94,032,000
		Total Title 2		94,032,000
		Total Section 21 (Items 530 through 575)		479,487,000

Section 22. Federal Committee for Affairs of War Veterans and Military Disabled

Basic Purpose 01--Funds for Operation of Administrative Agencies

576	01-1-1	Funds for personal incomes of personnel	27,696,000	
577	01-2	Funds for material costs	1,287,000	
578	01-3-1	Funds for personal incomes and other personal benefits of officials	2,764,000	
579	01-3-2	Traveling expenses abroad	2,114,000	
580	01-3-2	Traveling expenses in Yugoslavia	357,000	

581	01-3-2	Expenses of holding meetings of the Committee	500,000	
582	01-3-3	Care of graves and cemeteries of Yugoslav war casualties and veterans	35,721,000	
		Total Basic Purpose 01		70,439,000
		Basic Purpose 05--Obligations To Fund Public Services		
583	05-9	Funds for preferential old-age pensions in the context of the provisions of the Law on Obligations of the Federation for Old-Age Pensions of War Veterans	80,668,700,000	
584	05-11	Funds for disability benefits of military disabled	28,717,500,000	
585	05-11	Funds for health care of military disabled	2,688,200,000	
586	05-11	Funds for treatment at health resorts	1,947,400,000	
587	05-11	Funds for the war veteran's supplement	36,100,000	
588	05-11	Compensation paid to holders of the 1941 Partisan Commemorative Medal and other decorations	1,150,200,000	
589	05-11	Disability benefits of recipients abroad	240,300,000	
590	05-11	Funds for preparing the methodology for continuous monitoring of the state of health of war veterans and military disabled	3,000,000	
		Total Basic Purpose 05		115,451,400,000
		Total Section 22 (Items 576 through 590)		115,521,839,000
		Section 23. Federal Committee for Legislation		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
591	01-1-1	Funds for personal incomes of personnel	71,089,000	
592	01-2	Funds for material costs	3,185,000	

593	01-3-1	Funds for personal incomes and other personal benefits of officials	1,900,000	
594	01-3-2	Traveling expenses in Yugoslavia of members of the Committee and its bodies	1,040,000	
595	01-3-2	Costs of entertainment	40,000	
596	01-3-2	CEMA Commission for Legal Affairs	3,000,000	
		Total Basic Purpose 01		80,254,000
		Total Section 23 (Items 591 through 596)		80,254,000
		Section 24. Federal Customs Administration		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
597	01-1-1	Funds for personal incomes of personnel	6,440,000,000	
598	01-2	Funds for material costs	1,221,000,000	
599	01-3-2	Reimbursement of loss in customs procedure	850,000	
600	01-3-2	Traveling expenses abroad	3,300,000	
601	01-3-2	Rent	42,630,000	
602	01-3-2	Purchase of uniforms and footwear	146,000,000	
603	01-3-2	Property insurance	29,665,000	
604	01-3-2	Special monitoring measures	13,000,000	
605	01-3-2	Rewards for detection of customs violations	5,318,000	
606	01-3-2	Compensation for separation of officials from family	1,115,000	
607	01-3-3	Defense-related projects	5,000,000	
		Total Basic Purpose 01		7,907,878,000
		Total Section 24 (Items 597 through 607)		7,97,878,000
		Section 25. Federal Bureau for Social Planning		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		

608	01-1-1	Funds for personal incomes of personnel	187,856,000	
609	01-2	Funds for material costs	14,000,000	
610	01-3-1	Funds for personal incomes and other personal benefits of officials	5,238,000	
611	01-3-2	Traveling expenses abroad	3,000,000	
612	01-3-2	Remuneration of nonstaff personnel and expenses of surveys	450,000	
613	01-3-2	Compensation for separation from family	1,000,000	
614	01-3-2	Professional consultations and conferences	800,000	
615	01-3-2	Publication of the bulletin PRIVREDNA KRETANJA U SVIJETU I NJIHOV UTICAJ NA PRIVREDU JUGOSLAVIJE (World Economic Trends and Their Impact on the Yugoslav Economy)	5,900,000	
616	01-3-2	Methodological research	5,400,000	
617	01-3-2	Purchase of and addition to equipment	900,000	
618	01-3-3	Defense-related projects	160,000	
		Total Basic Purpose 01		224,704,000
		Total Section 25 (Items 608 through 618)		224,704,000

Section 26. Federal Bureau of Statistics

Basic Purpose 01--Funds for Operation of ADministrative Agencies

619	01-1-1	Funds for personal incomes of personnel	492,800,000
620	01-2	Funds for material costs	46,475,000
621	01-3-2	Fire control and workplace health and safety	330,000
622	01-3-2	Traveling expenses abroad	3,388,000
623	01-3-2	Costs of statistical surveys	3,360,000
624	01-3-2	Expenses of the Automatic Data Processing Center	81,200,000
625	01-3-2	Expenses of publishing activity	79,800,000
626	01-3-2	Maintenance of buildings and furnishings	2,000,000
627	01-3-2	Rent	18,800,000

628	01-3-2	Leasing of automatic data processing machines	1,203,000,000	
629	01-3-2	Expenses of personnel development program	3,700,000	
630	01-3-2	Expenses of international cooperation	3,700,000	
631	01-3-2	Share of costs for the OECD	280,000	
632	01-3-2	Expenses of preparing the 1991 Population Census	2,000,000	
633	01-3-3	Defense-related projects	600,00	
		Total Basic Purpose 01		1,939,733,000
		Total Section 26 (Items 619 through 633)		1,939,733,000

Section 27. Federal Bureau for International Scientific, Educational and Cultural, and Technical Cooperation

Basic Purpose 01--Funds for Operation of Administrative Agencies

634	01-1-1	Funds for personal incomes of personnel	129,505,000	
635	01-2	Funds for material costs	16,250,000	
636	01-3-2	Compensation for separation from family	270,000	
637	01-3-2	Addition to and replacement of equipment	640,000	
638	01-3-2	Contribution to the United Nations mission in Yugoslavia	30,000,000	
639	01-3-2	Operating expenses of the Yugoslav Commission for Cooperation with UNESCO	13,720,000	
640	01-3-3	Expenses of regular schooling, advanced specialized training and study trips of foreign nationals in Yugoslavia	223,000,000	
641	01-3-3	Expenses of preparing specialists for departure, participation in the salaries of Yugoslav specialists and aid in organizing the Center		

		for Training Personnel in the Developing Countries	74,000,000	
642	01-3-3	Preparation of studies, expert evaluations, technical documentation, publications, international seminars, special courses for the developing countries and film production	12,500,000	
643	01-3-3	Cultural and educational cooperation with the developing countries	20,650,000	
644	01-3-3	International seminar entitled "The University Today"--participation of representatives from the developing countries	350,000	
645	01-3-3	International negotiations and meetings of joint commissions, traveling expenses in Yugoslavia and abroad	25,900,000	
646	01-3-3	Translation and copying of studies, reports, analyses and other materials	930,000	
647	01-3-3	Compensation for health services rendered to personnel of the United Nations mission in Yugoslavia	75,000	
648	01-3-3	Compensation for certain tasks in the jurisdiction of the Federation performed by the Yugoslav Bibliographic Institute	3,000,000	
649	01-3-3	Information program	2,800,000	
650	01-3-3	Center for Guidance and Organization of the Mutual Cooperation of the Nonaligned Countries in the Fields of Science and Technology	13,600,000	
651	01-3-3	Defense-related projects	80,000	
		Total Basic Purpose 01		567,270,000
		Total Section 27 (Items 634 through 651)		567,270,000

Section 28. Federal Hydrometeorology Bureau

Basic Purpose 01--Funds for Operation of Administrative Agencies

652	01-1-1	Funds for personal incomes of personnel	447,048,000	
653	01-2	Funds for material costs	41,000,000	
654	01-3-2	Funds for work on Sunday, at night and on holidays	25,610,000	
655	01-3-2	Compensation of Radio Belgrade for broadcasting water levels of the Danube	3,600,000	
656	01-3-2	Expenses of telecommunications	35,100,000	
657	01-3-2	Traveling expenses abroad	2,500,000	
658	01-3-2	Compensation for separation from family	480,000	
659	01-3-2	Addition to equipment	2,000,000	
660	01-3-2	Printing the Yearbook of the Climate Atlas and other specialized publications	6,000,000	
661	01-3-2	Financing international programs pursuant to specific decisions of the Federal Executive Council ("FIERZA", "ALPEX", "HOMS", "EMEP", "MED-POL," and "VITUKI")	20,000,000	
662	01-3-2	Maintenance of buildings and furnishings	14,000,000	
663	01-3-2	Traveling expenses in Yugoslavia	2,500,000	
664	01-3-2	Purchase of clothing and footwear	9,761,000	
665	01-3-2	Motor vehicle maintenance and fuel	3,696,000	
666	01-3-2	Rent on office space	15,000,000	
667	01-3-2	Expenses of advanced specialized training and specialization	200,000	
668	01-3-2	Expenses of the coordinating group for performance of operational tasks and obligations, both domestic and international, which become obligations under the Convention on Long-Distance Air Pollution across Borders	200,000	
669	01-3-3	Defense-related projects	320,000	
		Total Basic Purpose 01		629,015,000
		Total Section 28 (Items 652 through 669)		629,015,000

Section 29. Federal Bureau for Standardization

		Basic Purpose 01--Funds for Operation of Administrative Agencies		
670	01-1-1	Funds for personal incomes of personnel	212,769,000	
671	01-2	Funds for material costs	13,296,000	
672	01-3-2	Expenses of drafting and distributing Yugoslav standards and technical specifications	17,182,000	
673	01-3-2	Translation of Yugoslav standards into the languages of the nationalities and ethnic minorities of Yugoslavia	22,000,000	
674	01-3-2	Expenses of the Commission for Standardization of Motor Vehicles	4,500,000	
675	01-3-2	Official trips abroad	8,200,000	
676	01-3-2	Official trips in Yugoslavia	5,570,000	
677	01-3-2	Expenses of dimensional coordination in construction	700,000	
678	01-3-2	Expenses of administering the certification system	6,000,000	
679	01-3-2	Expenses of financing the projects of the information system	8,000,000	
680	01-3-2	International Cooperation with the UN, CEMA and the developing countries	9,497,000	
681	01-3-2	Purchase of and addition to equipment	10,000,000	
682	01-3-2	Postal, telephone and telegraph	4,435,000	
683	01-3-3	Defense-related projects	200,000	
		Total Basic Purpose 01		322,349,000
		Total Section 29 (Items 670 through 683)		322,349,000
		Section 30. Federal Bureau for Patents		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
684	01-1-1	Funds for personal incomes of personnel	146,882,000	
685	01-2	Funds for material costs	11,000,000	

686	01-3-2	Costs of printing patent documents and documentation	27,418,000	
687	01-3-2	Traveling expenses abroad	493,000	
688	01-3-2	Purchase of and addition to equipment	7,000,000	
689	01-3-2	Printing the patent herald	10,000,000	
690	01-3-2	Preparation of forms and materials for photocopying	1,900,000	
691	01-3-2	Receiving and shipping patent documentation	700,000	
692	01-3-2	Expenses of publishing activity	2,000,000	
693	01-3-2	Expenses of the information system	8,000,000	
694	01-3-2	Expenses of the Council	130,000	
695	01-3-2	Equipment maintenance and servicing	800,000	
696	01-3-2	Rent	6,113,000	
697	01-3-2	Purchase of specialized literature	3,000,000	
698	01-3-2	Translation of international patent documentation	117,000	
699	01-3-2	Expenses of the Federal Coordinating Committee for Creativity	330,000	
700	01-3-2	Advanced training and specialization	500,000	
701	01-3-2	Costs of the information services of the Yugoslav Center for Technical and Scientific Documentation	1,495,000	
702	01-3-3	Defense-related projects	30,000	
		Total Basic Purpose 01		227,908,000
		Total Section 30 (Items 684 through 702)		227,908,000

Section 31. Federal Bureau for Weights and Measures and Precious Metals

Basic Purpose 01--Funds for Operation of Administrative Agencies

703	01-1-1	Funds for personal incomes of personnel	460,415,000
704	01-2	Funds for material costs	34,190,000
705	01-3-2	Rent	2,377,000

706	01-3-2	Purchase of stamps and seals and minor items	10,000,000
707	01-3-2	Expenditures to upgrade the service	800,000
708	01-3-2	Traveling expenses in Yugoslavia	50,000,000
709	01-3-2	Traveling expenses abroad	1,200,000
710	01-3-2	Expenses of international cooperation	350,000
711	01-3-2	Costs of issuing publications	2,000,000
712	01-3-2	Costs of current building maintenance	36,000,000
713	01-3-2	Costs of telecommunications	1,000,000
714	01-3-2	Preparation of specialized and technical regulations, sublegal acts and instructions in the field of metrology	800,000
715	01-3-2	Operating expenses of the Council and its committees for coordinating efforts and carrying on cooperation in the field of metrology	900,000
716	01-3-2	Costs of current maintenance and servicing of laboratory equipment and fixtures	11,000,000
717	01-3-2	Costs of regular examinations and insurance of workers who work under special conditions	1,120,000
718	01-3-2	Costs of maintaining trucks	10,000,000
719	01-3-2	Cost of entertainment	30,000
720	01-3-2	Purchase of protective clothing and footwear	1,950,000
721	01-3-2	Purchase of specialized publications and literature	1,000,000
722	01-3-2	Nonautomatic data processing	1,000,000
723	01-3-2	Costs of translation into the languages of the nationalities and ethnic minorities of Yugoslavia and from and into foreign languages	500,000
724	01-3-2	Expenses of printing forms related to realizing revenues	10,000,000
725	01-3-2	Costs of the information program	260,000
726	01-3-2	Purchase of spare parts and technical supplies	7,000,000
727	01-3-2	Addition to and replacement of equipment	3,000,000
728	01-3-2	Compensation for separation from family	240,000

729	01-3-2	Funds for operation of the Yugoslav Center for Technical and Scientific Documentation	1,000,000	
730	01-3-2	Costs of drafting specialized reports and studies in the field of metrology	7,000,000	
731	01-3-3	Defense-related projects	400,000	
		Total Basic Purpose 01		655,532,000
		Total Section 31 (Items 703 through 731)		655,532,000
		Section 32. Federal Geology Bureau		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
732	01-1-1	Funds for personal incomes of personnel	21,234,000	
733	01-2	Funds for material costs	1,000,000	
734	01-3-2	Expenses of the permanent delegation for cooperation with CEMA in the field of geology	1,500,000	
735	01-3-2	Preparing and printing the Comprehensive Geological Map of Yugoslavia	25,000,000	
736	01-3-2	Expenses of the Commission for the Comprehensive Geological Map of Yugoslavia	700,000	
737	01-3-2	Purchase of equipment	200,000	
738	01-3-2	Costs of compiling the balance of mineral resources and subsurface water of the SFRY and preparing the analysis of the SFRY´s raw materials base	3,250,000	
739	01-3-2	Compensation for separation from family	1,944,000	
740	01-3-2	Funds for tasks in coordinating our country´s bilateral cooperation with member countries related to geological explorations	800,000	
741	01-3-2	Updating and maintaining the collection of technical documentation on the results of geological explorations	300,000	

742	01-3-2	Funds for carrying on cooperation with non-governmental international organizations	430,000	
		Total Basic Purpose 01		56,358,000
		Total Section 32 (Items 732 through 742)		56,358,000
		Section 33. Yugoslav Archives		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
743	01-1-1	Funds for personal incomes of personnel	87,951,000	
744	01-2	Funds for material costs	12,962,000	
745	01-3-2	Costs of entertainment	150,000	
746	01-3-2	Costs of protecting archive materials in case of war	560,000	
747	01-3-2	Costs of maintaining furnishings and fixtures	800,000	
748	01-3-2	Addition to and replacement of equipment	5,596,000	
749	01-3-2	Traveling expenses abroad	1,211,000	
750	01-3-2	Expenses of publishing activity	3,058,000	
		Total Basic Purpose 01		112,288,000
		Total Section 33 (Items 743 through 750)		112,288,000
		Section 34. Department for Rendering Services to meet the Entertainment Needs of Federal Bodies and Agencies		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
751	01-1-1	Funds for personal incomes of personnel	480,073,000	
752	01-2	Funds for material cost and expenses of maintaining structures and equipment	217,059,000	

753	01-3-2	Costs of operation and maintenance of the special train	80,874,000	
754	01-3-2	Costs of hunting and maintaining the hunting facilities used by the Federation	64,000,000	
755	01-3-2	Costs of maintaining and improving the Koprivnica Hunting and Forest Preserve, Bugojno	6,000,000	
756	01-3-2	Remuneration of nonstaff personnel	900,000	
757	01-3-3	Defense-related projects	1,368,000	
		Total Basic Purpose 01		850,274,000
		Total Section 34 (Items 751 through 757)		850,274,000

Section 35. Department for Air Transport of Federal Bodies and Agencies

Basic Purpose 01--Funds for Operation of Administrative Agencies

758	01-1-1	Funds for personal incomes of personnel	60,075,000	
759	01-2	Funds for material cost and expenses of maintaining structures and equipment	450,000,000	
760	01-3-3	Defense-related projects	100,000	
		Total Basic Purpose 01		510,175,000
		Total Section 35 (Items 758 through 760)		510,175,000

Section 36. Department for Financial and Inventory Recordkeeping of Federal Administrative Agencies and Federal Organizations

Basic Purpose 01--Funds for Operation of Administrative Agencies

761	01-1-1	Funds for personal incomes of personnel	168,841,000
762	01-2	Funds for material costs	17,000,000
763	01-3-2	Remuneration of nonstaff personnel	168,000

764	01-3-2	Purchase of equipment	10,640,000	
		Total Basic Purpose 01		196,649,000
		Total Section 36 (Items 761 through 764)		196,649,000
		Section 37. Technical Support Department of Federal Administrative Agencies and Federal Organizations		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
765	01-1-1	Funds for personal incomes of personnel	258,672,000	
766	01-2	Funds for material costs	43,000,000	
767	01-3-2	Expenses of franking the mail	14,000,000	
768	01-3-2	Spare parts for printing presses and supplies	225,200,000	
769	01-3-2	Purchase of equipment	39,218,000	
		Total Basic Purpose 01		380,090,000
		Total Section 37 (Items 765 through 769)		380,090,000
		Section 38. Administration for Management of Office Buildings of Federal Bodies and Agencies		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
770	01-1-1	Funds for personal incomes of personnel	741,027,000	
771	01-2	Funds for material costs	32,480,000	
772	01-3-2	Heat, electric power, water and other services	829,300,000	
773	01-3-2	Overhead expenses related to maintenance of buildings and equipment	124,600,000	
774	01-3-2	Purchase of equipment and reconstruction projects	126,000,000	

775	01-3-2	Insurance on buildings and equipment	34,300,000	
776	01-3-2	Telephone expenses of joint switchboards	8,000,000	
777	01-3-2	Fire safety and technical safety of facilities	126,000,000	
778	01-3-2	Work clothes, footwear and equipment for workplace health and safety	11,800,000	
779	01-3-2	Contribution for use of municipal land	190,000,000	
780	01-3-2	[illegible]rt services	4,080,000	
781	01-3-2	Expenses of establishing special telephone communications	17,000,000	
782	01-3-3	Defense-related projects	600,000	
		Total Basic Purpose 01		2,245,187,000
		Total Section 38 (Items 770 through 782)		2,245,187,000

Section 39. Garage of Federal Bodies and Agencies

Basic Purpose 01--Funds for Operation of Administrative Agencies

783	01-1-1	Funds for personal incomes of personnel	253,230,000	
784	01-2	Funds for material costs	2,690,000	
785	01-3-2	Compensation for work on holidays	2,100,000	
786	01-3-2	Purchase of spare parts and expenditures for miscellaneous purposes	150,276,000	
787	01-3-2	Purchase of eqiuipment and automobiles	35,000,000	
788	01-3-2	Purchase of tools and pieces of equipment	462,000	
789	01-3-3	Purchase of transportation equipment for national defense purposes	15,820,000	
		Total Basic Purpose 01		459,578,000
		Total Section 39 (Items 783 through 789)		459,578,000

		Section 40. Translation Department		
		Basic Purpose 01--Funds for Operation of Administrative Agencies		
790	01-1-1	Funds for personal incomes of personnel	257,320,000	
791	01-2	Funds for material costs	16,380,000	
792	01-3-2	Remuneration of nonstaff personnel	5,718,000	
793	01-3-2	Compensation for separation from family	900,000	
794	01-3-2	Traveling expenses abroad	843,000	
795	01-3-2	Advanced professional training, specialization of translators in foreign languages	1,000,000	
796	01-3-2	Purchase of and addition to equipment	4,250,000	
797	01-3-2	Funds to establish the terminology bank	1,200,000	
798	01-3-3	Defense-related projects	100,00	
		Total Basic Purpose 01		287,711,000
		Total Section 40 (Items 790 through 798)		287,711,000
		Section 41. Supplemental Funds to Sociopolitical and Public Organizations		
		Basic Purpose 06--Other General Public Purposes		
		Sociopolitical Organizations		
		Subsidies to the Central Committee of the League of Communists of Yugoslavia		
799	06-2	International activity	10,000,000	
800	06-2	Financing the program for scientific documentation of the international working class movement	8,324,000	
801	06-2	Program for financing publishing activities abroad	14,519,000	

802	06-2	Financing the operation of the Josip Broz Tito Political School in Kumrovec	22,427,000
803	06-2	Publication of the collected works of Josip Broz Tito	3,500,000
		Subsidy to the Federal Conference of the Socialist Alliance of Working People of Yugoslavia	
804	06-2	Financing the work program of the Federal Conference	462,213,000
805	06-2	Subsidy to the newspaper BORBA	498,000,000
806	06-2	For the journal JUGOSLAVENSKI PREGLED [YUGOSLAV SURVEY]--Serbo-Croatian edition	12,680,000
807	06-2	For the journal MEDJUNARODNA POLITIKA [INTERNATIONAL POLITICS]--Serbo-Croatian edition	10,140,000
808	06-2	For the journal ZENA DANAS [WOMAN TODAY]	3,240,000
809	06-2	Financing the work program of the Council of the Federal Conference of the SAWPY for Protection and Improvement of the Environment	12,000,000
810	06-2	Conference for Local Community Development of Yugoslavia	9,750,000
		Subsidy to the Presidium of the Conference of the Socialist Youth League of Yugoslavia	
811	06-2	Financing the work program of the Conference	308,300,000
812	06-2	Celebration of Youth Day	63,565,000
813	06-2	Financing the international activities of collective members of the Socialist Youth Alliance of Yugoslavia	4,638,000
814	06-2	For the newspaper MLADOST [YOUTH]	63,840,000
815	06-2	For the journal IDEJE [IDEAS]	8,640,000
816	06-2	For the Youth Labor Festival	4,032,000
817	06-2	Other activities	39,200,000
818	06-2	12th SSOJ Congress	100,480,000
819	06-2	2nd Mediterranean Youth Festival	30,390,000
820	06-2	"Kumrovec 86" International Youth and Student Seminar	16,000,000

		Subsidy to the Federation of Associations of Veterans of the National Liberation War of Yugoslavia	
821	06-2	Financing the work program of the Federation	124,134,000
822	06-2	For the newspaper 4 JUL [4TH of JULY]	57,600,000
823	06-2	10th Congress of SUBNOR	39,810,000
		Subsidy to the Yugoslav Red Cross	
824	06-2	Financing the work program of the Presidium	67,500,000
825	06-2	Missing persons service	3,419,000
826	06-2	Membership dues in the League and the Mediterranean Conference of National Red Cross and Red Crescent Societies	12,331,000
827	06-2	Defense-related projects	2,688,000
828	06-2	Center for training Red Cross and Red Crescent personnel from the developing countries and nonaligned countries, as well as in those countries	6,300,000
829	06-2	International humanitarian aid in case of natural and other large-scale disasters	1,950,000
		Subsidy to the Yugoslav League for Peace, Independence and Equality of Nations	
830	06-2	Financing the work program of the League	9,125,000
		Subsidy to the Federation of United Nations Associations of Yugoslavia	
831	06-2	Financing the work program of the Federation	1,820,000
		Subsidy to the Federation of Reserve Military Officers of Yugoslavia	

832	06-2	Financing the work program of the Federation	42,390,000	
		Federation for Physical Education of Yugoslavia		
833	06-2	Expenses of Yugoslavia's international activities in the field of physical education	460,000,000	
834	06-2	Extraordinary programs of sporting exents being held only in 1986	140,000,000	
835	06-2	Funds for SPENS	15,000,000	
		Popular Technology--Federation of Organizations for Popular Technical Education of Yugoslavia		
836	06-2	For international activities of Yugoslavia in the field of popular technical education	23,425,000	
		Yugoslav Firefighters Federation		
837	06-2	For fire protection	3,400,000	
		Total Basic Purpose 06-2		2,716,500,000
		Total Section 41 (Items 799 through 837)		2,716,500,000

III. Final Provision

Article 6

This budget shall take effect on 1 January 1986.

7045
CSO: 2800/149

CHANGES IN FEDERAL BUDGET FOR 1985

Belgrade SLUZBENI LIST SFRJ in Serbo-Croatian No 75, 31 Dec 85 pp 2232-2233

[Amendments enacted by the SFRY Assembly in a session of the Federal Chamber in Belgrade on 28 December 1985, signed by Radovan Vlajkovic, chairman of the SFRY State Presidency, and Ilijaz Kurteshi, president of the SFRY Assembly]

[Text]

Article 1

In the Federal Budget for 1985 (SLUZBENI LIST SFRJ, Nos 71, 1984 and 53, 1985) the amount "690,254,500,000" in Article 1, Subparagraph 2, shall be replaced by the amount "697,482,300,000"; in Subparagraph 3 the amount "253,633,600,000" shall be replaced by the amount "260,861,400,000"; and in Subparagraph 4 the amount "243,633,600,000" shall be replaced by the amount "250,861,400,000".

Article 2

In Article 3 the following change shall be made in Section I. Revenues of the Balance of Revenues and Expenditures of the Federal Budget for 1985:

1) In Type 08. Revenues from Other Sociopolitical Communities the amount "243,633,600,000" in Revenue Form 08-1 Contribution of the Republics and Autonomous Provinces shall be replaced by the amount "250,861,400,000"; in Revenue Subform 08-1-1 Contribution of the Socialist Republic of Bosnia-Hercegovina the amount "33,708,292,000" shall be replaced by the amount "34,709,791,000"; in Revenue Subform 08-1-2 Contribution of the Socialist Republic of Macedonia the amount "14,353,577,000" shall be replaced by the amount "14,782,475,000"; in Revenue Subform 08-1-3 Contribution of the Socialist Republic of Slovenia the amount "36,947,095,000" shall be replaced by the amount "38,084,927,000"; in Revenue Subform 08-1-4 Contribution of the Socialist Republic of Serbia excluding autonomous provinces the amount "60,317,418,000" shall be replaced by the amount "60,058,065,000"; in Revenue Subform 08-1-5 Contribution of the Socialist Republic of Croatia the amount "63,029,154,000" shall be replaced by the amount "64,900,976,000"; in Revenue Subform 08-1-6 Contribution of the Socialist Republic of Montenegro the amount "5,144,594,000" shall be replaced by the amount "5,297,141,000"; in Revenue Subform 08-1-7 Contribution of the Socialist Autonomous Province of Vojvodina

the amount "28,938,302,000" shall be replaced by the amount "29,798,308,000"; in Revenue 08-1-8 Contribution of the Socialist Autonomous Province of Kosovo the amount "1,195,168,000" shall be replaced by the amount "1,229,717,000"; and in the line item Total Type 08. the amount "243,633,600,000" shall be replaced by the amount "250,861,400,000";

2) In the line item Total Revenues for Distribution (Types 01 through 09) the amount "690,254,500,000" shall be replaced by the amount "697,482,300,000".

In Section II Distribution of Revenues the following changes shall be made:

1) In Basic Purpose 04. Funds Transferred to Other Sociopolitical Communities the amount "52,734,200,000" in Distribution Group 04-2 Supplemental Funds shall be replaced by the amount "59,962,000,000"; in Distribution Subgroup 04-2-1 Supplemental Funds to Budgets of Republics and Autonomous Provinces the amount "52,734,200,000" shall be replaced by the amount "59,962,000,000"; and in the line item Total Basic Purpose 04. the amount "52,734,200,000" shall be replaced by the amount "59,962,000,000";

2) In the line item Total Revenues Distributed and Undistributed the amount "690,254,500,000" shall be replaced by the amount "697,482,300,000".

Article 3

In Article 4 the amount "690,254,500,000" shall be replaced by the amount "697,482,300,000";

1) In Section 14. Federal Secretariat for Finance, Title 1. The Secretariat, Basic Purpose 04. Funds Transferred to Other Sociopolitical Communities, the amount "14,311,000,000" in Item 247 Supplemental Funds to the Socialist Republic of Bosnia-Hercegovina shall be replaced by the amount "15,802,400,000"; in Item 248 Supplemental Funds to the Socialist Republic of Macedonia the amount "6,522,900,000" shall be replaced by the amount "7,202,560,000"; in Item 249 Supplemental Funds to the Socialist Republic of Montenegro the amount "5,382,100,000" shall be replaced by the amount "5,943,040,000"; in Item 250 Supplemental Funds to the Socialist Autonomous Province of Kosovo the amount "25,468,200,000" shall be replaced by the amount "29,964,000,000"; in the line item Total Basic Purpose 04. the amount "52,734,200,000" shall be replaced by the amount "59,962,000,000"; in the line item Total Title 1. the amount "108,914,888,000" shall be replaced by the amount "116,142,688,000"; and in the line item Total Section 14 (Items 231 through 281) the amount "109,092,151,000" shall be replaced by the amount "116,319,951,00".

Article 4

These amendments shall take effect on the day after publication in SLUZBENI LIST SFRJ.

7045
CSO: 2800/149

SQUAD COMPOSITION, WEAPONRY DETAILED

East Berlin BAUERN-ECHO in German 16 Oct 85 p 6

[Article by Lt. Col. Werner Kilian: "Combat Vehicles of Our Motorized Rifle Units"]

[Text] All of our motorized rifle units now have modern combat vehicles and heavy weaponry. It is completely different from a similar NVA unit in 1956, the year the NVA was founded.

In 1956, the nine enlisted men and the one non-commissioned officer who was the leader of an infantry squad had two PPSh 41 automatic rifles built by the Shpagin arms plant in the Soviet Union (but referred to as MPi-41 in the NVA) and six 1944-model carbines as well as one RPG-2 bazooka. Aside from the bazooka which was developed and built after 1945 and had a range of 150 meters, all the other Soviet weapons had seen service in the Great Patriotic War. They were all robust, easy-to-use weapons of simple construction with which the soldiers were quickly able to familiarize themselves. The "Shpagin" had a drum magazine which held 71 7.62 pistol bullets which could be fired singly or in continuous bursts. To attack targets at distances greater than 200 meters, the squad used the carbines and a DP machine gun. Both of these weapons used 7.62 rifle bullets. The carbine was a multiple-load weapon with a five-cartridge magazine. After every shot, it had to be reloaded by hand. The flat drum magazine of the machine gun, on the other hand, provided room for 47 cartridges.

Although each infantry squad was supposed to have one APC to serve as a combat and transport vehicle, only a very few two-axle SPW-40s and three-axle SPW-152s were actually available in the beginning. Both of these were open, non-amphibious, lightly armored vehicles equipped with one heavy machine gun.

And what is it like today--almost 30 years later ? Every NVA motorized rifle squad now has a completely closed, amphibious combat vehicle. It may either be a SPW-60PB or an SPW-70 or a BMP-1 or BMP-2 armored personnel carrier. While both of the combat vehicles are equipped with a 14.5mm turret machine gun and a 2000-cartridge 7.62mm machine gun and otherwise merely differ in terms of overall height, motor type and hull construction, the APCs differ above all in their turret weaponry. The BMP-1 has a 73mm cannon while the BMP-2 is equipped with a 30mm cannon and a different type of guided antitank missile.

In a motorized rifle squad equipped with a BMP-1 and the usual weaponry, the squad leader, his deputy as well as the No 2 bazooka gunner, one other squad member, the turret gunner and the driver all carry a Kalashnikov automatic rifle as their personal firearm. That automatic rifle as well as the two Kalashnikov light machine guns (IMG K) used by the squad will also fire the M 1943 7.62mm cartridge. The rifle magazines hold 30 rounds each but the machine guns hold 40 and 75 rounds respectively. A number of the rifle and machine gun parts are interchangeable. The RPG-7 gunner (the RPG-7 has three times the range of the old RPG-2) and the two machine gunners carry a Makarov Model PM 9mm self-loading pistol as an additional firearm. The squad's weaponry is augmented by the turret armor which includes a 73mm smooth bore cannon with 40 shells and a 7.62mm heavy machine gun with 2,000 cartridges as well as a launching device for the antitank missile (four of which are carried on board the APC) situated above the cannon barrel.

9478
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SED SECURITY HEAD REAFFIRMS VALUE OF WORKER MILITIAS

East Berlin DER KAEMPFER in German Vol 30 No 1, Jan 86 pp 1-2

[Excerpt from speech by Wolfgang Herger, CC member, head of the SED CC section for security issues, to party activists of Magdeburg Bezirk]

[Text] A few months before the Eleventh SED Congress, the Eleventh CC Plenum drew up a persuasive balance sheet: At the side of the Soviet Union and firmly rooted in the community of socialist nations, the German Democratic Republic is successfully coping with the challenges of our age. Our socialist fatherland is proving to be a reliable factor in the fight for peace, progress and freedom, a stable pillar of socialism in the heart of Europe. The policy of our party, directed to the welfare of the people and resolutely guided by the Central Committee and Comrade Erich Honecker, its general secretary, is backed and carried out by the working people in town and country. That is demonstrated by the popular movement in preparation of the Eleventh Congress and its many initiatives.

The Stronger Socialism, the More Secure Is Peace

In view of the threat to mankind, evoked by the most aggressive circles of imperialism, it is more obvious than ever that socialism is alone able to guarantee the first human right, the right to live in peace. In alliance with all men of good will, a strong socialism is alone capable of keeping at bay the forces threatening peace. The working people realize the Tenth SED Congress resolutions by tremendous achievements in the national economy and all sectors of our life. They are thus creating favorable conditions for the successful further pursuit of our domestic and external policy. More and more citizens of our country are guided by the appreciation that the stronger socialism is, the more secure is peace.

The fighters of your district also have provided the correct answer to the challenge of our age as characterized at the Tenth and Eleventh CC Plenums: In addition to their concrete targets for the fulfillment of the 1985 and 1986 economic plans, they have adopted as their own the competition appeal of the comrades of the Magdeburg Ernst Thaelmann Battalion.

Fighting Actions Weigh Heavily

By their thousands of individual and hundreds of collective obligations, they make sure of a solid rise in performance in this year of the Eleventh SED Congress. These are directed above all to the conclusion by exemplary results of training tasks, exercises and reviews of standards, fight for new best titles and marksmanship certificates or carry on military propaganda at polytechnical secondary schools as well as skilled tradition and partnership work.

All this activism is realized in many useful actions and best performances for the benefit of our workers and farmers' power. A look at the various obligations demonstrates that the unity of economics and defense readiness is consciously appreciated. Let us cite the example of Comrade Karl-Heinz Mathes from the pioneer squad of the Hermann Matern Batallion, brigade leader at the radiator molding shop of the Thale Harzer Works VEB and activist of socialist labor. He assumed the following obligations for the Eleventh SED Congress: Above plan output, enabling a youth collective to successfully conduct the socialist competition, excellent marks for rifle shooting and norm acceptance, thorough preparation for all topics of training, exemplary care for personal weapons as well as for individual and collective equipment.

Balance Sheet of a Successful Training Period

In the training period just concluded, fighters, noncommissioned officers and commanders have accomplished all their tasks with exemplary personal commitment. They mastered new test situations and honorably carried out the class assignment decided upon by the Tenth SED Congress.

Among the units recording an outstanding development is the Willi Oerke combat company from the Magdeburg housing construction combine. The comrades of this unit have achieved good and excellent results in the entire training period, both with respect to political and combat training. Though many comrades work at various construction sites in the district, the collective managed a satisfactory attendance at training. The comrades of that unit also accomplished in an exemplary manner the tasks involved in ensuring combat readiness. Also among the units largely deciding the pace of the evolution of fighting power and combat readiness is the Willi Kutz combat company. In the period of training under review, this collective obtained the merit title, 67 of its fighters hold the merit badge, and another 78 met the conditions for the marksmanship badge. The comrades of the company did 4,900 hours of work to reconstruct their assembly area and a training base in Haldensleben Kreis. This work has a value of M65,000. The unit cultivates cordial partnership relations with a company of the Border Troops and a unit of the Soviet Army. The fighters in the two enterprises, the Ceramic Works VEB and the Haldensleben Transmission Works VEB are achieving outstanding performances. The list of such exemplary units is long. It demonstrates the positive outcome of a successful training period.

Appreciation for Exemplary Performances

As you know, the Politburo report to the Eleventh CC Plenum expressed its appreciation for these achievements by the following words: "At the past weekends, the combat groups of the working class successfully concluded the 1985 training year by the reviews conducted in all units. The Politburo thanks all fighters, noncommissioned officers and commanders for their demonstrated and full willingness to serve." Our heartfelt thanks are due the comrades of the German People's Police, the comrades in the senior party organs, the secretaries and managements of the basic organizations in the enterprises, the state managers and all other comrades responsible for the development of the combat groups as well as spouses and family members for their often demonstrated understanding and their moral support for service in the combat groups.

Reason for Optimism

We are all moved by the question of what 1986 will mean with respect to the settlement of the main problem of our time--the prevention of a nuclear world war? What can we do to preserve peace for us, our children and children's children? The Eleventh CC Plenum has plainly indicated the difficulties of the situation. And yet there is every reason to view the future with optimism. Thanks to the existence of the Soviet Union and the other socialist states, thanks to the military-strategic equilibrium achieved by heavy sacrifices--especially in the Soviet Union--, imperialism is no longer able to arbitrarily decide the fate of the peoples. To the extent that the international balance of power is shifting toward socialism and all peaceful forces, it will be possible to compel the old and war generating society to keep the peace and to banish the threat of war. No imperialist world domination is achievable any longer.

There is no reasonable alternative to the policy of peaceful coexistence between countries with different social system, as proposed by socialism. The Soviet Union, the chief power of socialism, together with the other states of the socialist coimmunity, offers mankind another approach than that of the arms race and the accumulation of death dealing weapons. At the Geneva summit it once again submitted an entire complex of concrete measures, directed to the limitation and reduction of nuclear arms and other weapons of mass destruction, the prevention of the militarization of space, the consolidation of confidence and security. As for the GDR, constructive steps toward securing peace, detente and disarmament take precedence in our foreign policy. We back the suggestions made at Sofia. We champion the recovery of a healthy climate in European and international affairs, a return to detente.

Reliable Defense of the Socialist Fatherland

Just because we are for peace, we consistently realize Lenin's teaching regarding the defense of the socialist fatherland. We have always done and will continue to do everything possible for the reliable defense of the workers and farmers' power. The GDR will continue at all times to faithfully carry out its obligations in the alliance of the Warsaw Pact. By bringing to bear the strength of all our people, we succeeded in strengthening our republic's defensive ability to the extent needed. The same will be the case in future years.

In the 32 years of its existence, the combat groups of the working class have demonstrated that this revolutionary tool of power, directly led by the party, represents an essential factor in the security of the workers and farmers' power in the GDR. We can no longer even imagine our social life without the combat groups.

Geared to Great Challenges and Criteria

The proportion of party members and the personal stability of the collectives remain important conditions for the combat strength of the units. At the same time we need to take care that steady changes occur in the units; new fighters need to replace older comrades. This makes great demands on the quality of leadership, in particular empathy, tact, knowledge of human nature and pedagogical skills.

All commanders are called upon for pleasure in decisionmaking, prudence in leadership and the realistic assessment of their own strength so as to further raise the quality of political and combat training. Not least do the commanders need the ability to organize training and realistically appraise performances. The latest training period provides us with knowledge which will have to be taken into account later. We are thinking, for instance, of greater scope for the commander himself with regard to the organization of training. He is best equipped to know which of the topics and which problems are likely to take a great deal of time in his unit. Great physical and psychological challenges confront all fighters. For them, any test situation needs the renewed acceptance of standards, in particular the standard of weapons training and physical fitness. Linked with all this are great challenges to the comrades' willpower. The success of the collective essentially depends on individual performances and attitudes.

The more relevant incorporation of the review of norms in the entire course of the training year seems appropriate. It will also be important to assign even greater value to the practical relevance of training, the exact mastery of commands and basic skills, the actual guarantee of the leadership of a unit on the move. Our fighters' outstanding willingness to serve is demonstrated whenever reviews and other training tasks relating to the units are carried on at weekends. The fullest possible attendance at training or upon alarm does not happen fortuitously. It must be organized by long-range planning--in close cooperation among party organizations, state managers and commanders.

The Leading Role of the Party--The Most Important Condition for Successful Work

The most important condition for successful work in the combat groups will always be the strengthening of the party's leading role. The attendance at exercises and reviews of senior party officials in the enterprises and Kreis managements as well as of members of the secretariat of the respective Bezirk managements should therefore steadily continue to maintain their direct influence on the combat groups. These officials' participation has always been coupled with personal conversations in the unit, with active ideological work within the framework of political training or at meetings and agitation appeals. This motivates many fighters to complete the planned training with the greatest possible willingness to perform.

Consistent Implementation of Party Decisions

Another constant priority task is the explanation and resolute implementation in all units of decisions by the Central Committee and the Bezirk managements. The same holds true for the exact implementation of commands and instructions.

In this meaning we are committed to everywhere perfecting the conditions ior service and the training of the combat groups. The new order of service must become familiar to all combats. Truly communist relations tend to evolve in the combat groups, precisely because people of similar mindsets cooperate here, who know one another from working together and "lying side by side in a prone shelter." Of course this also implies the need to make definite demands and call for their realization.

The honorary study groups carry a major responsibility. As the working organs of Bezirk and Kreis managements they help prepare appropriate decisions, always realistically appraise the situation and affect cadre development. We expect the comrades operating in the honorary study groups in future also to carry on intensive instructive and supervisory eefforts for the implementation of party decisions in the combat collectives.

Working With the Commanders

A constant key question is the training, support for and instruction of our commanders. Many have been active for years. The party expects a commander of a combat group to be able in particular to

-- always make his fighters aware of the meaning of their employment and class assignments, organize his unit as a sound, politically reliable and militarily able combat collective which will act resolutely in any situation and accomplishing every party assignment;

-- himself set an example, earn the trust of his comrades, make sure that their willingness to serve is sensibly used and help the noncommissioned officers lead their men;

-- strengthen the combat strength, respect for and authority of the party in the unit and promote trustful relations between communists and unaffiliated members of the group.

Socialist Competition in the Sign of the Preparations for the Party Congress

In accordance with the appeal of your Ernst Thaelmann combat group battalion, the socialist competition among the combat groups at the beginning of the training period stands entirely in the sign of the preparations for the Eleventh SED Congress. The echo from all units of your Bezirk and the entire country is strong and concrete. In Thaelmann's spirit, we are concerned here to achieve preeminent performances to strengthen socialism. These are the proper answers to the challenges of our age. They show that our fighters understand the connection between strong socialism and secure peace.

Let us therefore with all energy tackle the new training year which is entirely in the sign of the Eleventh SED Congress.

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INTRODUCTION OF NEW WEAPONS SYSTEM DISCUSSED

East Berlin MILITAERTECHNIK in German No 1, 1986 [signed to press 7 Nov 85] pp 1-3

[Article by Lt. Gen. W. Rothe: "Current Problems and Programs in Design of Man-Technology Relationships in NVA Ground Forces"]

[Text] The focus of the first few months of this year is almost entirely on the preparation of the 11th party congress of the SED and the 30th anniversary of our socialist armed forces. These days, the main topic of the many discussions taking place in the military collectives is to take stock of what has been achieved and to look ahead to the future--particularly as regards the proper use of combat equipment, weaponry and other gear.

For almost 5 years now, the members of our armed forces and the civilian employees have been making a concerted effort to fulfill the task set by the 10th party congress of the SED which was "to make masterful use of military equipment and to take the qualitatively rising demands of the man-military equipment relationship into conscious consideration."[1]

The results achieved during this time span are substantial and the new insights gained are of great value for the continuation of programs aimed at perfecting the relationship between man and technology. They are part of the 30 years of experience which our NVA has obtained side by side with the Soviet army and the other fraternal armies in solidifying combat effectiveness and combat readiness. They also give proof that the time-tested policies of our party were right to provide modern military equipment on time and in adequate quantity to our armed forces and, at the same time, thoroughly to prepare the members of our armed forces both politically and militarily for the proper use of combat, command and maintenance technology.

The units and service branches have paid particular heed to the statement by the Politburo of the SED central committee contained in its "Comments on the Report of the Main Political Administration Regarding Political-Ideological Work in the NVA." The statement called on all commanders, party organs and organizations to lay even greater stress on the fact that modern weaponry and combat equipment requires above all a commensurate effort in terms of leadership, complex political-ideological programs, equipment maintenance as well as working and living conditions.

More than ever, it is our job to apply in a purposeful manner all our valuable expertise and insight into the man-military technology relationship in our political-ideological programs, in combat training and in the operation and maintenance of the equipment.

Thanks to the goal-oriented political-ideological programs of our party and mass organizations, the social science and political training programs and the operation-oriented political mass programs on the relationship between man and military equipment are being conducted with ever growing awareness. We may therefore safely say today that the understanding of the reciprocal relationship between man and military equipment--particularly as regards the control function exercised by man--has constantly been growing over the past several years among the members of our armed forces.

By further strengthening the Marxist-Leninist frame of reference as it applies to this reciprocal relationship, we will be creating the necessary conditions in the future for making proper use of military equipment, taking full advantage of its combat capabilities and assuring its proper maintenance.

This relationship, however, is by no means constant or rigid. On the one hand, the fundamental significance of the man-military equipment nexus in the socialist armed forces continues to grow in importance in view of the threat of war emanating from imperialism and the immense consequences of a potential war. To develop this relationship in a purposeful manner is of increasingly decisive importance for combat effectiveness and combat readiness. On the other hand--as man and his equipment continue to develop--the relationship itself continues to evolve as the dominant role of man as creator, producer and user of technology continues to grow.

Our ground forces are taking this fact into consideration. The trends in the development of the service branches, special units and services are reviewed on a regular basis and general as well as specific guidelines are elaborated. Independent of all special considerations, there is one basic guideline to be followed, i.e. that the development of the man-military equipment relationship is not in the first instance an organizational-technical or technological problem but above all a long-term, complex process of political work, education and training of the members of the armed forces.

What has already been achieved offers convincing proof that the biggest gains in the best use of military equipment, weaponry and gear are being achieved in those military collectives in which the commanders, the technical specialists and, of course, the political and party workers place the proper evaluation and assign the proper political priority to technical issues.

1. Intensifying Class Attitudes toward Military Equipment

One of our priority tasks is to make a concerted effort to intensify class attitudes toward military equipment. It must be understood that weapons in the hands of the soldiers of the working class are a decisive tool in the protection of socialism and the preservation of peace. This calls for solid faith in the reliability of our military equipment , for a sense of responsibility and creative commitment to the business of soldiering as well as a love for technology which finds expression in constant and conscientious care to maintain it in a state of combat readiness. Attitudes such as these have led to superior achievements in the proper use of equipment in units and service branches in preparation for the 11th party congress of the SED.

In further developing class attitudes toward military equipment, it will be our job to take certain trends into consideration which place high demands on our commanders, political organs and party organizations. They are a consequence above all of the more and more rapid changes in the quality of military equipment and also of the political and social development of the members of the armed forces themselves.

2. Higher Quality Learning

As a consequence of NATO confrontation policy and the effect of scientific-technological progress weapon systems are becoming more and more complicated and the time intervals between the introduction of new technologies and/or their modernization are becoming shorter. Refitting and/or modernization call on training personnel and trainees to acquire more and more comprehensive and fundamental information with regard to the installation, impact and tactical use of equipment and also with regard to potential actions to be mounted by the adversary.

The systems character of the equipment calls for more and more thorough technical familiarity with electronic, electrical, hydraulic, mechanical, pneumatic and other components. This applies both to technical equipment such as the T-72 tank, the antiaircraft missiles systems of the ground forces and the self-propelled artillery as well as command and maintenance technology.

Both operating and maintenance personnel need to become more and more familiar with the many processes involved in the activation, operation, coordination and check out of weapons and equipment.

For this reason, aggressive approaches to learning and training have become a major factor in assuring combat efefctiveness and combat readiness. Thus, the activation of a broad-based learning movement is not just a temporary phenomenon but an indispensable, long-term ingredient of political leadership dedicated to mastering the technology. This mass initiative calls for familiarization with military equipment on the part of leading cadres and the perfection of methodological skills on the part of young training personnel. This includes mass practice and training exercises by members of the FDJ and young members of the armed forces which aim at increasing their knowledge and improving their skills. It also includes participation in socialist competition for qualification in technical fields. In accordance with the program outlined at the 12th conference of the delegates of FDJ organizations in the NVA, it will be our job to continue time-tested procedures at a higher level. What we mean by this is to place even greater emphasis on the youth initiatives in the technical field in connection with effective patronage activities.

More and more use is being made of a method employed by a number of units where theroretical and technical know-how is transmitted in interesting ways to groups by experts and particularly well-versed older draftees and/or reservists.

3. Using Modern Military Equipment to Raise Combat Readiness

Units which received modern weapons over the past several years have made good progress.

Efforts at the command and the political-ideological education level were focused on rapid introduction of the equipment and equally rapid retraining of personnel in accordance with the experiences of the Soviet army. This resulted in a relatively short period of time in a high level of expertise with regard to the military equipment and weaponry. These efforts demonstrated that goal-oriented, pinpointed political education, combat and technical training as well as care and maintenance can lead to short-term success in mastering the technology.

But experience has also taught us that there will be lasting progress only if the social problems connected with the higher demands can gradually be resolved at the same time. There is a need to take the changes in working and living conditions of our fighting men, occasioned by the nature of the technology, its operational principles and the accompanying training programs, into consideration and to include them in our planning.

It will be our priority concern to do away with time delays as best we can. This will require a genuinely scientific style of leadership, improved intellectual preparation and above all a high degree of intensification in combat training and the rationalization of care and maintenance.

Progress in this respect has been made in such units and maintenance facilities where commanders and technical specialists , led by the members and candidates of the SED, made their influence felt. This means that the proper maintenance technology is used; that all the modern maintenance tools are thoroughly and accurately applied and that maintenance work is performed on schedule. Things work really well in all those instances where innovation and inventiveness are given free rein; where people independently look for more efficient ways of doing a job even while adhering to regulations, e.g. cleaning equipment in a shorter period of time.

As we introduced new equipment in our ground forces, we found on a number of occasions that while it is important to take those trends in the man-technology relationship into consideration which arise whenever new military equipment is introduced, it is equally important to focus attention on those units where the modernization process has not or has not yet taken place.

There is the chance of encountering delays, of underestimating the combat potential and effectiveness of available equipment and commitment to combat training and maintenance may lag. For this reason, it is necessary to conduct a thorough analysis and arrive at a coordinated position among the party organizations in order to determine early on why different units and commands are using different generations of equipment and how these work together in practice.

We can proudly point to a whole array of equipment and weaponry which has stood the test of time and which will be just as valuable to us in the future, if we know how to use it and to take advantage of its combat potential. The point therefore is to see how our combat responsibilities can successfully be discharged by using all the equipment available to our units and commands.

4. Using Modern Training Methods to Intensify Combat Training

Since the start of the eighties, we have been introducing more and more modern training equipment and simulators in our ground forces. Many units, commands and training centers are receiving new, highly efficient combat training technology. This equipment is capable of simulating the functions and operations of combat, command and maintenance technology to a large extent; it helps reduce wear and tear of the actual equipment and is extremely cost-effective in addition.

There is a kind of special training process which mediates between the fighting man and his military equipment. Commanders, political bodies and party organizations everywhere are looking into the question of how this affects the man-military equipment relationship. This, in turn, provides the political leadership with important information.

The positive approach of the training personnel and the trainees to the training equipment and the simulators; the recognition of their cost-effectiveness and the favorable conditions for competitiveness in combat training all have a positive effect on the training results achieved.

Efficient use of training equipment and simulators leads to marked progress in the intensification of combat training. The "Paul Hegenbart" command, for example, made use of an APC training package and managed thereby to increase the effectiveness of its gunners.

Trainers and/or simulators have become indispensable in a number of training programs, e.g. in antitank and antiaircraft units.

All in all, developing the right approach to this type of training equipment is becoming more important all the time. It will determine to a large extent whether commanders will make sure that the equipment is used enough, whether it is well maintained and always ready for operation and whether the soldiers themselves will train on the equipment with the proper enthusiasm and intensity.

Based on their experience with this type of training equipment, some units and commands have worked to overcome some of the reservations resulting from the fact that a given piece of equipment cannot in every instance duplicate all the functions and operations of the original. Those are the units and commands where proper work is being done today.

Success is achieved particularly in those instances where commanders and communists support all ideas for added, conscientious use of training equipment and simulators and focus the attention of innovators' movements on these processes.

5. Solidifying Socialist Relations in Military Collectives

During the past few years we have found again and again that mastering scientific-technological progress in military matters calls for further solidification of socialist relations within the military colllectives.

In this context, commanders and party organizations have been placing stronger emphasis on the establishment of stable socialist relationships and the maintenance of firm discipline.

We can now say that relations within the military collectives, jointly mastering the technology, have developed well. Typical examples of this are to be found in teamwork and mutual help in squads, crews, operators and maintenance units.

Experience has also taught us that relationships inside a military collective, which to a large extent are determined by cooperation in the operation of weapons systems, must be consciously strengthened through the entire term of service by the most varied means. This can be achieved with the help of goal-oriented political programs, concern for the needs of the individuals and substantive cultural-political work.

In the ground forces, there is a growing trend to form groups of specialists and to provide separate training for them. This reduces the time in which the full complement of the collective working together might solidify socialist relationships and in which the unit commanders and the party and FDJ organizations could exert a direct educational influence on them. Particular attention must be paid to this trend in preparing political programs.

At the same time, the process of specialization runs more and more counter to the possibility of replacing one soldier by another on a given piece of equipment. This is why it is becoming more and more important to develop organizational structures and initiatives which aim for more flexibility in this regard.

6. Intensifying Understanding for Military Economics

The man-military equipment nexus is also becoming more and more important from the standpoint of military economics.

The military collectives are making great efforts to translate equipment and budgetary resources into combat effectiveness through goal-oriented and efficient programs. This particular aspect makes it plain just how much understanding among communists, commanders as well as all members of the armed forces and the civilian employees has grown as regards the economic policies of our party.

If we manage to intensify this understanding further, we will be able to effect additional savings in fuels and lubricants; in coal and energy; in more regeneration of modules, componenst and tools; in the optimization of plans for vehicle use and the targeted utilization of standards and limits.

It goes without saying that the success of any such measures depends to a very large extent on the relationship between man and technology. This is even more true as the growing complexity of the technology continues to increase its value.

More and more, conscientious adherence to technical standards and to operating and maintenance instructions as well as safety regulations are having a definite impact not only on the combat readiness of the armed forces but also on the military budget.

It is becoming increasingly clear that discipline in dealing with the technology is of major economic importance in this context. More than ever before this new type of "technological discipline" calls for greater reliability, accuracy, punctuality and independent initiative.

This, in turn, calls for major efforts in education on the part of all commanders who should serve as examples; for the influence of the party and the effectiveness of the FDJ organizations. There should be even greater competition in the conduct of such processes in military life. We should continue to develop our efforts in the field of military-technological propaganda with respect to the abovementioned tasks.

The 30-year history of our National People's Army teaches us the following:

We have always succeeded in mastering the increasing difficulties of military equipment because the party was always able to convince people of the necessity to preserve the peace and to motivate them to superior achievement and because it always saw to it that the armed forces of the working class received the type of military equipment which was in keeping with the times.

At this time, prior to the 11th party congress and the 30th anniversary of the NVA, we should take particular advantage of this historic lesson in our units and commands so as to strengthen the class positions, to enhance pride in our own weapons and to develop confidence in victory.

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PROFILE OF HUNGARIAN 'MUVELODES' BEFORE ROMANIZATION

Budapest ELET ES IRODALOM in Hungarian 17 Jan 85 p 7

[Interview with Janos Kovacs, literary historian and acting editor of MUVELODES, by Erzsebet Almasi: "In the Service of National Identity: A Conversation in Budapest About the Romanian MUVELODES"; date and place not given]

[Text] Is it possible to direct the cultural activities of Hungarians living in Romania from Bucharest? To what extent is it possible, while sitting in the press palace of the capital city, to keep track of everything that is important for the readers and the public to know? What kind of a role does a periodical assume in shaping facts, the state of affairs itself, and reality? I could just as easily have put the questions in the past tense, too, since on the first of January 1986 the minority cultural organ entitled MUVELODES ceased publication. More precisely: it appears in Romanian under the title CINTAREA ROMANIEI (We Sing of You, Romania) and publishes only programs--for example, plays and choral works--in the Hungarian language. For 3 years the publication did not have an appointed chief editor; its last--already retired--director, the literary historian Janos Kovacs, recalls the past of the periodical.

[Question] Many considered MUVELODES the most useful Hungarian-language publication in Romania. It organized roundtable discussions, initiated competitions and sought out persons living in diverse regions, who were in fact doing something for the cultural life of their village or city. It published sketches of actors, reports of a sociological nature, technological and scientific reviews, all of those kinds of things which were of interest to most Hungarians living in Romania. Culture, however, is a broad concept. What fit into MUVELODES at any given time?

[Answer] The history of MUVELODES has been somewhat stormy. It started publication under the title MUVELODESI UTMUTATO [Cultural Guide], intending to serve as a guide on cultural subjects, publishing program information, plays, poetry, and songs. In the 1950s the chief editor at the time, Gyorgy Kisbenke, brought several writers and composers onto the staff, and with their cooperation produced a quality, high-standard publication. A period of crisis followed: 70-80 percent of the contents was translated into Hungarian from material in its Romanian-language counterpart; this was complemented by a few of its own news items and reports. An effort to change this situation succeeded in 1968, when the editors were given semi-independence, later full independence. Janos Andras, the chief editor, enriched the paper with new topics: he encouraged writings on folk art and the traditions of folk culture.

[Question] Why did this happen at /that/ time?

[Answer] Because interest turned toward the villages and the surviving folk culture. Unfortunately, MUVELODES was unable to rise above the so-called specialized administrative level on the subject; at times its articles were meaningless. Of course, amateur artistic and cultural activities are so diverse that it is impossible to determine the direction of divergent efforts with a few articles. At the same time, urban cultural life was neglected. In other words, they did not succeed in developing a proper balance. When in 1974 I joined the staff, it took several months to get my bearings before I, together with the members of the editorial board and with the help of outside colleagues, succeeded in shaping a profile from which the so-called specialized administrative articles were omitted. We tried to present the practical side of cultural activities.

[Question] What was the most important thing the paper had to say?

[Answer] We sought to make people realize that it is possible as well as necessary to develop Hungarian cultural life in Romania in the socialist spirit.

[Question] Was this not sufficiently obvious?

[Answer] We wanted to make our readers aware of its importance. We encouraged all types of cultural activities in the Hungarian language. Topics concerning folk culture filled 10 of the 68 pages. Nor did we forget the fact that the majority of Hungarians residing in Romania are city dwellers. In the villages of the Szekely region there has continuously been and even today there is a cultural tradition--this is less characteristic of the cities. Urban Hungarians listen to the radio, watch television, go to concerts, read, few of them become involved in amateur cultural activities; and this can also create the impression that Hungarian cultural life is less alive in these cities. But we did not limit the definition of cultural education to dilettantism. On the contrary, considerations of popular culture guided us in our approach to the theater or the fine arts, which, of course, differed from that of a specialized journal. For example, we examined the relationship between the theater and the audience or the effect of the theater on shaping national identity and consciousness.

[Question] I believe that one of your most successful series of articles was one which tried to give a picture of small-town cultural development.

[Answer] Most of the readers of MUVELODES are from small towns. Szekelyudvarhely, Segesvar, and Regen, for example, do not have professional performing ensembles or professional theaters; in these settlements the potential for amateur artistic activities are greater than elsewhere. There is also a greater need for them. We were curious as to what extent the residents utilize what we considered optimal conditions, and how much of this experience could be applied elsewhere; how could we dispel the old belief that small towns are the hotbeds of petit-bourgeois mentality or, if you prefer, provinciality. In many cases it became obvious that one can't speak about such phenomena any more. Thus, there is no petit-bourgeois atmosphere prevailing in Csikszereda, Szekelyudvarhely or Lugos. People are more openminded and predisposed toward new things; they are able to overcome self-complacency, which is one of the greatest dangers to culture in small towns. The other important series of articles was about the "villages on the move." The new environment changes the cultural demands of people who relocate from the village to the city. Or, perhaps as a consequence of the relocation, the demand for culture is pushed completely aside. At the same time, urban culture is gaining ground in the village, in the form of theater, poetry readings, radio and television use, sinceculture is transmitted via mass media.

[Question] Still the "quiet laborers" of culture, those who operate beyond the spot-light of public recognition, are mostly teachers and instructors.

[Answer] The teacher has always been the caretaker servant, day-laborer, and beacon of cultural life, especially in the villages. What is more, in Romania, in the villages and in the cities alike, it is the schools which provide the institutional framework for the cultivation of Hungarian language and culture. But I recall, for example, that we published a report about a cabinet-maker from Pankota, who established a regional museum, complete with a large bird collection. And, if my memory serves me right, the head of the theater group in Nagybanya is an engineer.

[Question] What kind of situation report would you give about the present state of Hungarian cultural life in Romania?

[Answer] I think that we must differentiate between the two characteristic forms of cultural life: community and individual. The extensive individual cultural life in the cities complements the emphasis on community cultural life in the villages. The former is immeasurable; perhaps only the number of theatergoers and readers of books can give an indication. But, even though people read the new books and make sacrifices to be able to attend the theater, they also play the violin and listen to records at home. This also contributes to self-development, to self-education. Occasionally the results are spectacular. I believe that during the 1970s MUVELODES gave a sufficiently faithful picture of the foundations and renewal of Hungarian cultural life in Romania. Nevertheless, the possibilities have not been exhausted; this is indicated, among other factors, by the fact that, according to official surveys, the participation of Hungarian amateurs in the series of national cultural celebrations called MEGENEKLUNK, ROMANIA (We Sing of You, Romania) remained below the national proportion of Hungarians. If we start with this piece of information, then the picture is not heartwarming. However, numbers do not tell the whole story. The quality of activity can redeem the lack of quantity. To mention a characteristic and perhaps often mentioned example, in recent years in Illyesfalva in the Szekely region amateurs performed a Shakespeare series. The very fact alone that they undertook something like this in a Szekely village tells a great deal about the cultural demands and standards--regardless of the artistic quality of the performances.

[Question] To what extent was the Hungarian speaking reader able to get information about cultural achievements from MUVELODES?

[Answer] We regularly reported on events which were examples to be followed: how, for instance, cultural work was proceeding in a large factory in Ploesti, or elsewhere. We reported the experiences of Romania's peoples' colleges, information about joint Romanian-Hungarian programs, and even our [Romanian-language] counterpart turned to us for material. Of course, there is never enough of such mutual exchange of information, but the opportunities are there. In any event, our primary job was to write about Hungarian cultural life.

[Question] Finally then, what was your "personal stamp" on the paper?

[Answer] I wanted to make an open publication out of MUVELODES. We did not close ourselves off from anything which promised to be effective and enriching from the point of view of national-nationality self-identity and individual self-realization. My individual ambition also contributed to this a little. I wanted to prove that it was possible to do more with a periodical than what our press had generally done. I was glad to receive all of those types of articles which brought to the surface the fact that people want to preserve and would like to strengthen their national consciousness. But we must not forget about the fact that human consciousness incorporates not only an affiliation with a particular nationality, but also the desire for universal cultural development, and the desire for self-expression and self-development. This approach determined what I considered important or unimportant among the incoming manuscripts.

[Question] Among the contributors to your publication, we could also read, for example, the name of Tibor Toro, an atomic physicist from Temesvar.

[Answer] When I arrived at the paper, a good portion of the outside contributors regarded popular culture, and specifically amateurism, as a third-rate interest. It was difficult to overcome this attitude; we looked for a long time for those contributors who were willing to sacrifice their time in order to acquaint themselves with the facts and then to write down [their ideas] in an exact and carefully considered manner. Many outstanding figures of Hungarian intellectual life in Romania--including the natural scientist Tibor Toro--published in our paper; and, as one of the consequences, members of the younger generation regarded it as an honor when we asked them to contribute to our publication.

13201
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BOOK REVIEW ON HUNGARIAN-SPEAKING POPULATION IN MOLDAVIA

Bacau ATENEU in Romanian Nov 85 p 10

[Article by Petru Fartade: "On the Origin of a Moldavian Population"]

[Text] The book The Origin of the Ceangai of Moldavia by D. Martinas, published 1985 by Editura Stiintifica si Enciclopedica, with the collaboration of I. Coja and V.M. Ungureanu, treats a fragment of the uneasy history of the Romanian people that includes many unexplained pages. One such page, undoubtedly, is the ethnic-historic origin of the Ceangai of Moldavia. Uncertainties about this group of Romanian citizens persist because, in some scientific circles, it was felt that they were not a part of our national history.

In undertaking this work, D. Martinas was inspired by the idea that a presentation of some historical data regarding the inhabitants of the regions of Moldavia, who are known as "Ceangai" or "Hungarians", would be an act of lofty patriotic duty and an obligation of conscience, deriving from the primordial question: Who are they?..."a separate stock" or a "Hybrid"?...since, as a Ceangau himself, he has always felt Romanian. Looking at it another way, he was convinced that to furnish the present with data on the ethnogenesis of the Ceangai as well as on those specific traditions and customs that have been preserved until our own day would mean to project a ray of light on their history with a view to elucidating a long-standing controversy. The latter has centered on the non-Hungarian phonetic system of the Ceangau dialect, as shown in the author's argumentation based on an analysis of results (including those of Hungarian investigators). Such conclusions, along with many others that appear in the work, have led I. Dumitriu-Snagov, the author of the book's introduction, to say that D. Martinas has produced "an admirable synthesis", "a stimulating systhesis", with a view to elucidating a probem that persists in the mind of some that the Ceangai are an "historical enigma".

The book consists of three chapters, of which the first two, "Historical Aspects" and "Linguistic Aspects", occupy the major part of the work. Tacked on to them is the final chapter entitled "Notes and Commentaries" by I. Coja and V.M. Ungureanu. The same I. Dumitriu-Snagov attaches particular significance to them for their "particular accuracy is not changing the content and in preserving the form evolving over the years of work". The desire of the collaborators was, undeniably, to put together a work that would constitute, both for the experts as well as for the public at large, a working tool, an invitaation not only to think but to draw attention to the Ceangau phenomenon, so often forgotten or ignored, even by those who investigated them.

In the first chapter Linguistic Aspects, the author presents diverse theories regarding the origin of the Ceangai, their ethnic conscience, the origin and significance of the name Ceangai", their customs and dialect, as well as numerous other historic-ethnographic aspects. The author succeeds, on the basis of impressive bibliographic material, in deflating hyptheses of the allogeneous origin of the Ceangai that have long been dominant both in Hungarian research and in our own. This population is not as homogeneous as one might think and does not live in a unified geographical area, but rather is dispersed among a large number of fellow countrymen, with the other components as brothers. The Ceangai proper, who are to be found along the middle basin of the Siretual River, both those whose current mother tongue is Romanian and those so-called "bilinguals" who make equal use of the Romanian language and their Hungarian dialect, originate in an old Transylvanian Romanian population, according to the author, that was probably "Szeklerized" [Hungarianized], between the 13th and 18th centuries and subsequently emigrated to Moldavia as part of that enormous socio-political phenomenon from Transylvania known as the "Profugium Valahorum" [the flight of the Wallachians] (D. Prodan). From the documents presented by D. Martina, it turns out that they are not a Hungarian population that had become denationalized and recently assimilated by the Romanians of Moldavia, as had been claimed by some foreign investigators. The hypothesis that the Ceangai are the result of "the complex process of forced Szeklerization", both from the linguistic point of view as well as the religious, is argued with historical facts that must be taken into account, manifesting the process of denationalization begun in the feudal Hungarian state via its institutions (the church, army, school and feudal lords). The resistance of the Romanian peasantry, which became dramatic, culminated in gradual ethnic pressure and the abandonment of the native districts. In these conditions the official language and faith prevailed, in the linguistic sphere, as D. Martinas notes in the chapter Linguistic Aspects. But the Ceangai, unfamiliar with the Hungarian language that uses a phonological system totally alien to their own speech, developed their own hybrid dialect that was "broken" in comparison to the official language. This was not to the liking of the real Hungarians and Szekler, for which they were stigmatized with the epithet "csangok"; in fact, in their speech, Hungarian words are mixed with many native Romanian words. The linguistic material presented by D. Martinas, following assiduous research in almost all the Ceangai villages of Moldavia, leads to the conclusion that they "speak a Romanian dialect of the Transylvanian type", not Moldavian, which proves that they did not learn Romanian in Moldavia but rather in Translyvania where they had come from during different historical periods. In arguing his hypothesis, D. Martinas proceeds from the specific linguistic aspects of the Ceangai dialect, concerning 2 viewpoints, both of real scientific interest: first, the historico-linguistic, in accordance with which the population is Romanian, originating in Transylvania; the other, the purely linguistic aspect, which considers the Hungarian influence the direct product of the process of Szeklerization, illustrated in the speech of bilingual Ceangai. The dialect of these latter cannot plead for a Hungarian origin, since it is far from that Finno-Ugric tongue, as is seen in the description of the Szekler missionary Petru Zold when he writes about them: "They all speak Romanian and Hungarian, but they speak Hungarian very badly". Going on, the author deals with phonetic and lexical problems, drawing the reader's attention to a rich trove of material from the study of events to which we are referred as well as field work carried out in support of his hypothesis.

The corpus of Notes and Commentaries, covering 152 annotations carefully selected and organized by V.M. Ungureanu, is testimony to the enormous effort expended by the author to prove his theses, and provides the reader direct access to the sources that elucidate the so-called "enigma of the Ceangai". The work is accompanied by a postscript by I. Coja that is of particular interest for understanding both the conclusions reached by the author and the need for continued research in the area of the Ceangai to remove uncertainties that still remain.

D. Martinas's book stands out both as the fruit of passionate work carried out over several decades that fills a much felt void in our historical and linguistic literature, and tackles the problems through a felicitous supplement of historical and linguistic documents together with remarkable interpretations containing new hypotheses and ideas. Even if some of the latter are susceptible to criticism by the experts, they will undoubtedly remain an important contribution to the decipherment of a void spot in the history of our people.

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SEVERE PENALTIES URGED FOR GASOLINE HOARDING

Bucharest INFORMATIA BUCURESTIULUI in Romanian 27 Dec 85 pp 1, 3

[Article by V. Voiculescu and R. Duca: "Unyielding Opinion, Firm Measures Against Those Who Disrupt Service at PECO Stations"]

[Text] Excessive consumption--above normal, reasonable levels--often indicates speculation and illicit profiteering. Stockpiling gasoline at home presents a grave risk of accident and fire. The law provides severe penalties for those who cause disruptions in services.

Normally, driving during the winter is significantly reduced as many automobile owners do not use their cars for short drives, especially within the city. This is a fact that the statisticians in the motor vehicle departments in the militia can attest to. A large number of automobile owners avoid the increased risk of accidents that is linked to the rigors of wintertime driving. It follows then--and this has been the case in all past years--that the decrease in auto traffic during these months should be accompanied by a corresponding decrease in demand for gasoline. Yet, paradoxically, the PECO stations recently have been the scene of long lines which in turn has caused disruptions in normal gasoline sales. This despite the fact--and this must be noted from the outset--that the quantity of gasoline available to motorists has been and continues to be greater than the demand during similar periods in previous years. Thus, there is an appropriate supply, that is to say, sufficient amounts of gas given that the problem of ensuring quantities of fuel is not a simple one, that petroleum stocks are limited and that we must strive in all sectors (including private vehicular traffic) to be reasonable in using those stockpiles and in conserving them.

So it is with good reason that we ask: "If automobile driving during this period is less than normal, what is behind the sudden surge in gasoline consumption?" From the start, there is an unmistakable conclusion: the disruption in normal supplies at PECO stations is because certain automobile owners purchase more gasoline than they need; the surplus is intended for speculation. Through their irresponsible attitude--indeed anti-social at times--these "octane collectors" do harm to the interests of the rest of the citizens who understand that they are to purchase gasoline only to meet their needs. Not once, but several times we were able to observe how these hoarders operate--they fill up their cars several times a day--at the same PECO station or at different locales, then empty their tanks into any kind of container. In this way, they transform their automobile trunks or their homes into veritable--and very perilous--gasoline storage facilities.

Alerted by the recent excessive gasoline consumption, the PECO management has implemented a series of measures including recording the license tags of cars which fill up at the gas stations. Using computers to analyze the data sent in by specially designated employees at PECO stations, grave abuses in gasoline purchasing have been uncovered.

Indeed, the above data has revealed some very undesirable records in gasoline consumption, selfishness and crass greed. For example, the PECO management told us about a single automobile--license number 3-B-5305--which in only 3 days was a customer at 7 different gas stations in Bucharest, purchasing over 300 liters of gasoline! We did some fast calculations--is it possible that the driver had traveled over 3000 km in 72 hours? That is hard to believe. Another automobile--2-B-8974--collected over 160 liters at just the Military and Alexandria stations and appeared in the records of the Oltenita station as having consumed another significant amount of gasoline. True, the car owner--retiree Mircea Huter (5 Paralutelor Street) admitted to purchasing only...160 liters and having a stockpile of only...40 liters. And why did he need such large amounts of gas? For various trips was his response. A response which quite clearly is unacceptable.

Of course, evidence of these reprehensible activities has been turned over to the militia and they are now under investigation. All implications and responsibility will be established in accordance with the law. Furthermore, as a result of militia investigations--prompted by the PECO data--many of the authors of selfish actions were identified promptly. For example, there is Mihalache Oancea (35 O. Cocarascu St.) owner of the automobile with tag number 7-B-5779. He is a team chief at the "Pajura" ICRAL who sent a subordinate, Costel Marciuc, to the PECO station. After filling the gas tank, he emptied it, and got in line to fill it up again. What did they say about this later? The boss said he did not know anything about his subordinate buying all that gasoline. The subordinate has a different story! All of this to try to cover up gasoline hoarding. Another "customer" at PECO stations is Ilie Tataru (28 Gazalei St.) who is employed at the Antrepriza metallurgy works and who owns the automobile with license tag 10-B-5725. Let's follow him around for a day. About noon, he fills up his car--which he has equipped with a reserve tank--at the 11 June service station: 43 liters. He empties the tank and in the afternoon he is once again a customer: 43 liters more. Once again he empties the tank, selling a full gas can to his boss, foreman Ioan Gheorghe, who, it appears, "did not notice" that his subordinate was absent from work. The next day the same I. Tataru bought gas again: 60 liters from the Alexandria service station. In 2 days he purchases 150 liters, part of which is found at his home, stored in...a chickencoup! In another case, Ion Chiriac (14 Monument St.) owner of auto, tag number 19-B-9842, filled his gas tank three times in a single day--over 120 liters--and the next day, in his basement, only about 20 liters remained. Is it possible that these cases of stockpiling are but compulsive reflexes of misers? Is it possible that the "transfers" that some of these people make from their own stockpiles are innocent ones, altruistically motivated? It is obvious that they are speculative and intended to make money. The authorities are acting firmly and relentlessly in these cases to punish those guilty in accordance with the penal code.

Furthermore, in addition to the unethical practices uncovered in these cases, such stockpiling can cause grave accidents at the homes where this is going on--fires with terrible consequences not only for the hoarders but for others who live in the same dwellings. This is why Council of Ministers Decision 2285/1969 categorically forbids such stockpiling which, because of the grave risk it entails, is severely punishable.

Thus these are despicable practices which provoke a chain reaction of abuses--beginning with unexcused absences from work, then creating the potential for fire and finally causing disruptions in service at the PECO stations where gasoline allotments are made based on strict necessity. It is in our interests--in the interests of everyone--that these unacceptable attitudes be severely punished and resolutely brought to a halt. Public opinion must act decisively to combat such detestable practices and to promote a moderate spirit of conservation which characterize each one of us.

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CONTINUING PROBLEM OF YOUTH UNEMPLOYMENT REVIEWED

Belgrade NEDELJNE INFORMATIVNE NOVINE in Serbo-Croatian 10 Nov 85 pp 14-16

[Article by Dusan Sekulic: "Condemned to Idleness"]

[Text] Perhaps it is not easy to determine which is a more serious problem for this society, debt or unemployment. On the other hand, however, it is quite easy to conclude that both are consequences of the same type of irrationality, and that both will cost the new generations much more than those whose chosen representatives have become famous by putting a sort of double noose around the necks of their descendants. Repayment of the debts is being left for the future, the generations to come, while the members of those generations are being prepared on a massive scale for social incidents, since it is still quite unclear how they are to be given an opportunity to solve the basic question of existence, and to work. Today Yugoslavia, with a million unemployed, i.e. 15 percent of the total number employed, is the inglorious European record-holder in this respect. The most serious thing about it is that 77 percent of the unemployed are younger than 30.

The fact that both the Central Committee of the LCY and the Serbian Central Committee dealt with this issue last week shows that society is becoming aware of the seriousness of the facts, and so, if these forums cannot be credited with devising a magic formula to eliminate unemployment, the unemployed can at least take comfort in the fact that they have not been forgotten. This should, however, by no means create for them a false hope that the end to the problems will come soon. Unfortunately, there are still no real solutions.

Just as in the case of foreign debt, a bitter paradox is presented by the fact that Yugoslav citizens keep more than $20 billion in private accounts in domestic and more often foreign banks, so in the case of the unemployment issue as well, it is an unusually painful fact that Slovenia has the lowest unemployment rate in Europe, and that with 42.3 percent of the total number of inhabitants it is equal to the most developed countries, while at the other extreme in Kosovo only 11.6 percent of the total number of inhabitants are employed. Now, when it is more than clear that among us there are both those who know how and those who have, what else can one conclude except that there is a lack of common sense, organization, correct decision-making...

The main prerequisite for correct decisions is true facts, but we do not know precisely today how many people really are unemployed; it is estimated that at least 20 percent of those registered are misrepresenting themselves. Even less is known about how many of the approximately 6.5 million officially unemployed would remain without work tomorrow, if normal economic criteria existed.

How to Employ

"We think that among the million unemployed people registered on the lists, from 10 to 30 percent are registered falsely," says Zdravko Krvin, a member of the Presidency of the Council of the Yugoslav Federation of Trade Unions. "We will go through the records in all of the opstinas in the country by the end of the year, so that we can know the real state of affairs once and for all."

One cannot deny that correct information about the number of people unemployed is significant, but the finding of this information is the only concrete thing that can be expected to be done soon in connection with the issue of unemployment in Yugoslavia. It is not clear today how to achieve full employment on a social scale, or employment that could at least be called normal. Those who know a solution do not know how to remove the insurmountable obstacles to that goal. Political action remains at the level of issuing declarations and repeating the depressing statistics.

If the unnaturally rapid employment of the previous decades was almost exclusively a consequence of the also unusually large investments, now, when there is no domestic capital formation, and its replacement by new foreign credits has become impossible and inaccessible, how can new jobs be created? From 1981 to 1985, however, 1,075,000 new workers were employed, 532,000 as a replacement of generations, "natural outflow," and another 543,000 people as true new employment. At the same time, though, the productivity of labor fell, there was an even more pronounced leveling, there was a fundamental reduction in the incentives for labor, and, worst of all, real wages declined by almost half. These facts, in any economically logical thinking, automatically rule out a solution through new "artificial" employment, in accordance with the logic of solidarity applied to socialist society, in which even poverty should be equally distributed, since "it is better to have any job and any wages, than to have nothing." Such a course, which is after all a common one in "real socialism," where there is "full" employment, is not being seriously considered by anyone today, except for the unemployed themselves. In their fear of "social tensions," the bureaucracy and the power centers would probably be more inclined toward this type of demagogy, even though this would mean postponing the explosion until a later time, with much more serious consequences.

Everything for Work

"We in the Trade Union see a solution for unemployment in the utilization of several different possibilities," Zdravko Krvin says. "Above all, there is a potential in making better use of the existing capacities, and shortening the working hours in individual industries. Next there are small business, agriculture, tourism, changing seasonal workers into permanently employed ones with a shorter total working time, domestic crafts... and in general, every working activity that offers a possibility for supporting oneself. Just look at the situation in small business: each of the 600 opstinas in Yugoslavia has some policy of its own, and practice differs as if it were a question of different worlds."

"For me, unemployment is absolutely the first economic-political and social problem of Yugoslavia," says Berislav Sefer, a delegate to the Yugoslav Assembly, who is well known for his original approach to social trends. "A further increase in the kind of unemployment that we have would bring unforeseeable consequences, since our unemployed are better than the average people who are employed: they are young, educated, and quite certainly more motivated to work and change their lives for the better. So far, all the conclusions and resolutions on unemployment have not crossed the threshold of abstraction. It is important to understand that unemployment can only be eliminated with healthy social relationships. What we are doing now -- about 200,000 newly employed each year, with a decline in productivity -- is a dangerous tactic. Where are the ways out? If today we have a use of industrial capacity of about 65 percent, it is improbable that it cannot be better utilized, regardless of the excuses that there is no energy, raw materials, market... This does not fall out of the sky for others, either. This dead capital, paid for with expensive resources for whose repayment we are now suffering, is simply crying out for a new initiative, for new ideas that would revive it. The mistaken investments, the expensive imported equipment, worth at least five and maybe as much as ten billion dollars, are now practically lying as scrap -- and isn't it true that with new organization and new installation it could be made productive, and new jobs could be created? But for all this purpose and ideas are needed. The same forces who created the "Fenije," however, are now maintaining an atmosphere of verbalism, fear of changes, a psychology of survival, instead of ambition and progress, since this is the way for the bureaucracy to keep power.

Shorter but Better

Of the practical and immediately available opportunities, Sefer now sees a chance for new employment in shortening working hours.

"If it has been proven in practice that shortening working hours for difficult work has contributed to a significant increase in productivity, then it is really improbable and incomprehensible that someone has opposed this," says Sefer. "And so people are still insisting on shortening working careers, on new retirees who we are far from being able to pay, instead of extending a person's working life, with shorter working hours, and making more productive work possible for him. In that way we would also find a place for the young ones and save society a new burden."

One of the most insistent advocates of shortening working hours is Marija Todorovic, chairman of the Labor Committee of the Serbian SR:

"We seem to be striving persistently to avoid facing the truth in life, and instead we are living in a world of illusions and delusions," Marija Todorovic says. "At one time we raised a big fuss about the so-called hybrids, the people who have one foot in the factory and the other in the field. And recently, at Zmaj, I heard the question, 'Why don't those who have land give up their jobs?' Then why don't those who have apartments to rent and money in the banks? Today we should be happy about mixed households, since if there were none there would be millions of social incidents. But when our half peasant, half worker wants to harvest wheat or pick corn, he has to take sick leave, to lie, to act like a social parasite -- for the sake of work that is actually very beneficial to society. All of this is because our labor legislation, and in general our view of labor relations, are at the level of some long obsolete period, contrary to the fundamental determinations about the free association of workers. Why don't we make it possible for such a worker to have a labor relationship in which it will be stipulated in advance that for several months he will not work at a machine because he will be working in the field? Why is it that in capitalism it is possible for a woman, a mother and a housewife, to be that and also work for four hours, and in socialism it is not possible? How many thousands of jobs would we obtain in this way? The fact is that in a large number of cases our people do not rush into the socialized sector just in order to receive a personal income, since it is likewise obvious that many people would not be able to live on that personal income. It has to do with the rights related to the labor relationship: health, social, and retirement insurance, the right to an apartment, and a nevertheless enviable amount of security compared to any private initiative in this society which changes the guidelines every hour. The fact is that among the 270,000 unemployed people registered in Serbia on the lists of the SIZs [self-managing interest communities], more than 60 percent are from villages, i.e., most have some sort of economic support. I am convinced that the introduction of retirement insurance for peasants and health insurance for the entire population, without any differences, will essentially reduce the pressure on employment."

The More Work, the More Rights

Marija Todorovic also thinks that the resistance to shorter working hours is unreasonable.

"Even if one can understand a certain amount of astonishment, and sometimes even resistance from management bodies in the economy to demands for the establishment of three shifts, because of a shortage of energy, raw materials, marketing, organizational problems, and other complications, there really is no justification to the resistance to having three shifts last a total of 18 hours, i.e. only 4 hours longer than two shifts now. All those who have shortened their working hours in difficult jobs have achieved extraordinary results in increasing productivity and quality, and reducing sick leave. The fact is that sick leave is most frequent for employed people up to 27 years old. It is no wonder, if a young person goes to a job as something that always begins before dawn and continues inflexibly for a set time, with formal presence being the most important thing. I support the principle of having the worker himself determine how much he will work, but also having his labor relationship rights depend on this. For a little work -- just social and retirement insurance; for maximum work -- also a personal income and a right to an apartment, for example.

"In regard to unemployment among young people, I think that society is not active enough concerning this almost tragic fact," Marija Todorovic feels. "Postponing employment until after 30 also means postponing life; it means losing the best years for beginning the creative period of life, for the natural reproduction of the population, and all of this causes irremediable and unforeseeable harm. I would express what should be done in a sort of slogan: the entire population capable of work, plus the entire material wealth of society, for the entire younger generation. One should by no means think that youth can be employed in the present organizational scheme, in the present way. From the opstina to the federation, all existing and still undiscovered possibilities for employment should be investigated, and investigated every day. It is clear that the socialized sector of the economy, industry, cannot take in everyone who comes. But instead of investigating new possibilities, in which the main criterion would be having someone work, ensure that he is able to support himself, and cover his rights arising from the labor relationship, and not what he does or how, we are pettily devising new methods that determine or prohibit work for someone.

"I have a recent example. I suggested to the appropriate services that they somehow legalize the work experience of those women who have been taking care of children for decades, part-time, for 5, 6, or 8 thousand a month per child, doing the parents an invaluable service and ensuring some sort of income for themselves. And do you know what happened? Our lawyers created a draft regulation specifying that these had to be at least women who had qualifications as nurses, and that nursery schools had to accept them for a labor relationship -- all of this without any relationship to real life, and absolutely the opposite of the original simple idea: a woman works; why isn't her work experience regulated? There is no telling how many jobs like that there are. Thus, we had barely won private individuals the right to open bookstores, when the opstina officials greeted them with so many taxes that now the Serbian Executive Council has to intervene in order to save them. To put it simply, we have to create conditions in which a person who works is a patriot," Marija Todorovic concludes.

Dogma and Life

The extent to which social consciousness is burdened by traditionalism and a truly irrational dogmatism was perhaps best shown recently by the case of the so-called law on purchasing jobs -- the nickname maliciously given to a regulation governing the investment of the foreign exchange funds of returnees in the creation of new jobs, with the investor being given preference in employment in the job that he created with his funds. From the criticisms of the draft law expressed by the youth organization through the Presidency of the SSOJ [League of Socialist Youth of Yugoslavia], above all a fear was made public that this was a road to the vampirism of capitalist relations, stockholding, and that it was essentially unjust. As if it were essentially just when someone comes from Germany with 50,000 marks and looks for work, while someone else has neither work nor marks! Aren't they very much unequal -- but that is life. Is it really more sensible to induce the returnees to leave their money in foreign banks, from which we later obtain credits that smother us, instead of investing it in our economy, which is crying out for new technology? Is it really better for a person to build a house with an elevator at the end of a muddy street than for him to "buy" his daughter a job and a machine at a clothing factory? Questions like this could be asked endlessly, and all in order to prove that we as a society are still living in some other spheres, in some promised or invented world, not acknowledging reality, and consenting to have those who fear for their positions label every indication of reality as a heresy.

If anything has real prospects for dispelling the mirage and exposing the cheap illusionists, it is the unemployment of young people. To put it simply, they will tolerate this to some limit, and then they will not. If this is certain, as indicated by all the experiences of both the past and the present, isn't it better and more advantageous to wake up from a false dream while the alarm clock is still ringing, than with the aid of coffee that is just water? Even if in that case someone is left without a blanket...

9909
CSO: 2800/104

RELIGIOUS UNDERGROUND, STATE CONTROLLED CHURCH VIEWED

Zurich DIE WELTWOCHE in German No. 4 23,Jun 86 p 11

[Article by Thomas Seiterich: "The Holy Father Feels Linked to Us Czech; a Religious Underground Develops in the CSSR in Addition to the State-controlled Church"; first paragraph is DIE WELTWOCHE introduction]

[Text] Churches and Charter 77

In Czechoslovakia more and more citizens withdraw with resignation into their private lives. The ruling communist party in vain seeks an attractive vision of the future. Solely the churches and the Charter 77 civil right movement are able to mobilize people--the church in part also in the underground. Lay priests preach on "mountain hikes," illegal periodicals come into being in various cities, the official church believes it is being monitored by the state security service.

For 35 years true ecumenicity in Czechoslovakia has been taking place in the prisons, "a pensioner told me who on account of his involvement as an active Catholic has spent 14 years in communist prisons and penal camps." Following the occupation of Czechoslovakia by Hitler Germany the man was detained by the Gestapo for years as a Czech patriot and resistance fighter. Today he is a member of the Charter 77 civil rights movement. "I got to know many of the leading civil rights activists but also, e.g., our present state president, Gustav Husak, in prison. Husak was in prison under Stalin. He was extremely withdrawn towards his fellow prisoners and suffered as a communist under the treatment accorded to him by communists."

Officially the state does not like the ecumenicity among the Christian denominations in the CSSR: "The church secretaries, who watch over every clergyman and see to it that church activity is limited to worship services which are permitted to be conducted only in so-called worship rooms, prevent ecumenical togetherness fearing that uncontrollable events could ensue." All the more lively," my partner in the conversation reports, "is the ecumenical conversation in the prisons. There ecumenicity does not stop at the dividing lines of the churches but it also includes the skeptics, the agnostics and the imprisoned atheist communists. Therefore theology here in Czechoslovakia is devoid of bad enemy images and also free of a spiteful anticommunist emotion. Too bad that this fact is so little known in the West."

"The Catholic Church operates along two lines. The first line, that is the official church supervised and controlled by the state. That are the priests authorized in their parish by the state and the public worship services, also the homes for handicapped in which a very few sisterhoods are still tolerated. Behind that," according to a female partner in the conversation, "a so-called second line operates outside the very narrow legality limit for church activity drawn by the communist state: This church underground consists of lay groups and priests who, secretly consecrated, are not known to the state. These clergymen as a rule work in worker occupations or are pensioners. They work in a manner similar to that of the worker priests in the West."

"Many of our secret priests studied theology in the 50's and were put into the army or in prison for years from the theological faculty. Each of the country's big cities has more than a dozen of these secret clergymen. The organization of the second line," according to our female partner in the conversation, "is, however, decentralized and lies in the hands of laymen." Laymen publish underground periodicals; on the table in front of us there lies "Informace o cirkve," Information on the Church, which is regularly published with a circulation of about 1000. The periodical is put together in several cities, copied and then distributed over the entire country from hand to hand. It contains news on the world church, but especially theology. In the issue that lies before us there is a theological article translated into Czech on the Charismatic Movement, authored by the West German theologian Heribert Muehlen."

The work for an underground paper is risky. "State security of course knows about these periodicals. The penalty facing the collaborators is two years' imprisonment. Now and then one of the editorial groups is busted; however, the sentences recently have always been suspended and the defendant placed on probation," our female partner in the conversation reports.

"While in the countryside in Bohemia and Moravia church life has declined in many places and has shrunk to communistically controlled Sunday worship services, in the cities there are more and more active Christian lay groups, so-called action groups."

The group headed by our conversation partner meets every two weeks alternately in the homes of the 12 members. Most of them are young married couples. At the meeting the Gospel is read, open prayers are said, news is exchanged and theological education imparted. Other groups whose membership consists especially of students and persons to be trained have developed other forms to get together. Now and then they go on "hikes in the mountains" which are nothing but days of meditation led by priests.

Many of the young Christians who are active in the second line learn or speak Polish. From Poland they get prayerbooks, periodicals and theological literature. The news from the world churches for the most part comes from Austrian radio.

Our female conversation partner enthusiastically reports on the big pilgrimage to the Velehrad on 7 July 1985. "Velehrad, there 250,000 Christians provided a direction for the new start of the church. When the communist minister of culture wanted to deliver a prepared speech, the believers interrupted him with catcalls and laughter. The people pressed the top functionary into holding an open unprepared dialogue and cornered him with questions on freedom of religion, freedom of information and human rights. Since Velehrad, a new self-confidence has grown among us Christians. There is a broad new religious start: The churches have not been so full for decades as they were for Christmas. The number of lay groups is growing."

Cardinal Frantisek Tomasek, the archbishop of Prague, resides in a Maria Theresia-yellow renaissance palace on the Hradcany Hill, directly across from Czechoslovak State President Husak.

The cardinal, a sprightly 86-year-old, during the conversation turns up the portable radio on the table to full volume, so that the secret monitors of the communist state security service will at least not be able to listen in on every single word.

In response to the question of what caused the mass pilgrimage on 7 July 1985 to the grave of the apostle of the Slavs, Methodius, the cardinal said: "All the world could see how many deeply religious people there are in our country, that not only old people publicly profess their Catholic faith and your loyalty to the church but that there are also quite a number of young people who do so. Two-thirds of the pilgrims were young people. That is new and that gives courage for the future." Tomasek reports how much the present pope means to the Catholics in the CSSR: "The Holy Father is closely linked to us. He understands our situation and is close to us. I have never experienced him to be excited, nervous, unsure--always self-assured and calm, full of optimism and confidence. That is the way the communists have to be faced." The cardinal, measured by the rules applying otherwise in the world church, is over 10 years too old to perform the duties of the administrative office of his diocese. Tomasek: "I am old and I wait for my successor. But on account of the siutation between church and state here, it is at this time not possible for the Holy Father to appoint a successor."

12356
CSO: 2300/172

SOCIOLOGY CZECHOSLOVAKIA

HUSAK REGIME TOLERATES SERIOUS ALCOHOL ABUSE

Zurich DIE WELTWOCHE in German No 1, 2 Jan 86 p 9

[Article by Inge Santner: "For Us Beer is Like the Daily Bread; The Husak Regime Tolerates Serious Alcohol Abuse in the Country--the Little Bit of Freedom of the Czechoslovaks"; first paragraph is DIE WELTWOCHE introduction]

[Text] Too Much Blood Alcohol

The alcohol problem in Czechoslovakia is serious: In 1983, by statistical proof, 1926 Czechs and Slovaks died from the direct consequences of alcohol abuse. The financial harm resulting from alcohol-caused loss of working time amounts to a calculated 66 million francs a day. In spite of that, the Prague rulers do not want to follow in Kremlin chief Gorbachev's footsteps, who has declared war on alcoholism in the Soviet Union.

With all the required respect for noble Soviet models, this much is absolutely definite for the Prague rulers: they loath the Gorbachev campaign against alcoholism. They have no intention of imitating it.

Even Comrade Vasil Bilak, who is recognized as the man most loyal to Moscow in the CSSR Politburo, does not by any means want to get involved in this issue. His response to the question whether at least the enormous beer consumption in the Bohemian areas ought not be reduced just a little strongly rejects the idea: "To us beer is like bread," he says.

It is acknowledged that communist Czechoslovakia would have more than enough reasons for an anti-drinking campaign. Admittedly, the vodka consumption stays within relatively modest limits and also the consumption of other hard drinks up to and including the allegedly all-around healthy Slovak juniper gin Borovicka. In their place the national beverage beer literally flows like water.

The latest statistics were quite impressive. By official count, in 1983 1926 Czechs and Slovaks died as a result of the direct consequences of alcohol abuse. The financial harm as a result of alcohol-induced losses of working time added up to a daily 302 million korunas (according to the official rate of exchange roughly 66 million [Swiss] francs), whereby the average daily output of a worker was estimated at 850 korunas. Forty-seven percent of all felonies (murder, robbery, bodily injury) and 58 percent of all rapes were attributable to alcohol.

Every CSSR citizen--counting great grandmothers and babies--in 1984 consumed exactly 154 liters of beer, 10 liters of wine and 6 liters of liquor. His intoxication cost him easily 1572 korunas (equals 19 percent of his total expenditures for food), while he plonked down a mere 156 korunas for non-alcoholic beverages.

The alcohol problem has become so explosive that lately the newspapers, too, are dealing with it. The party newspaper RUDE PRAVO, e.g., recently published a pertinent report on the public mood from Roznov pod Radhostem, a small town south of Ostrava, which starts as follows: "The saloon (Sestka) is jam-packed, some customers must stand. All in all about 60 people are assembled here. Heavy half-liter glasses bump into one another. The men first blow away the beer foam and then become immersed in the golden brew with evident satisfaction. It is just 9 AM. The men wear overalls or other work clothing. Tool bags can be seen here and there. The beer flows and flows from the barrel without interruption. The haste with which the waiter moves through the crowd indicates that the daily morning whirl has reached its peak."

Why does the government keep quiet in spite of that? Why does it give the cold shoulder to the Soviet champions for a sober Eastern Europe and signals a resolute "without us" to big brother Gorbachev? Greatly varied motives come together here. Superficially what is involved is the credibility of the ideology. As orthodox communists the men around party chief Gustav Husak stubbornly adhere to the obsolete theory long since abandoned elsewhere that alcoholism constitutes a relic of the bourgeois era and that in the healthy air of socialism it would sooner or later disappear by itself. According to the Morgenstern theory that things cannot be that must not be, they ignore their drunkards even though their number doubled during the past decade.

Of course more important are hidden considerations. They concern no less than the stability of society. After Husak had purged about 460,000 comrades eager for reform from the Communist Party after assuming office in the spring of 1969, and otherwise had turned everything upside down, he finally wanted calmness, nothing but calmness. And that is precisely the same what he wants today. His entire policy of normalization stands and falls with it.

Plenty of Opportunities Available for Drunkenness.

To put it another way: Husak needs a largely passive population which pretends a measure of agreement with the party, i.e. participates in some indispensable manifestations of communist loyalty and waves a goodly number of red flags on 1 May. In return he provides the population with the opportunity for a largely unhampered private life on a relatively good material level, which includes the weekend house as well as the beer glass. Any intervention in this regard rightly appears to him to be extremely risky because it would be destabilizing.

The satisfaction of the citizen today is based not least in the always plentifully available opportunity for drunkenness. In the factory one moist round of birthday drinks chases the next one. In the always present moonlighting, the fee is in bottle form. Car repairs, hospital beds, stays at spas and goods in short supply can be obtained only against high-proof beverages.

Sobering up the nation would require a government that is politically strong enough to cope with the displeasure of its subjects or economically so strong that it can offer incentives other than drink, such as a greater assortment of consumer goods, more discos for the young people, more cultural attractions for the older ones. But the Prague government is politically as well as economically weak. Therefore it has no other choice but to fill the vacuum in the social provisions normally available by products of the breweries.

Politburo member Bilak deserves understanding. The absurd sounding association beer equals bread is really the obvious thing to do here.

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END

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19 March 1986

East Europe Report

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ROMANIAN JOURNAL REVIEWS DEVELOPMENT OF ALBANIAN AGRICULTURE

Bucharest REVISTA ECONOMICA in Romanian 29 Nov 85 p 28

[Article by Marilena Ivan, Institute of World Economics]

[Text] As early as in the first years after the country's liberation and the victory of the people's revolution -- 29 November 1944 -- Albania saw the move to implementing the agrarian reform, which represented one of the key measures of people's power in the stage involved. The development of the reform, in the context of the law adopted in 1945 by the National Liberation Antifascist Council, supplemented with a number of new provisions in 1946, led to the accomplishment of radical socioeconomic changes. The abolition of the class of big landowners (at the time of liberation 3 percent of the farms held 40 percent of arable areas), free land allotment to 70,000 families of poor peasants (45 percent of rural holdings) and provision of these families with livestock and agricultural implements created the premises for the subsequent development of the socialized sector, by the establishment of state agricultural enterprises and agricultural cooperatives.

Paralleling the building of the national industry, the development of Albanian agriculture during the period that followed liberation evinces the characteristics of gradual transition to the intensive stage. Moreover, the problems of development are tackled in an increasingly complex manner, with the efforts for the expansion of the technicomaterial base of agriculture being coupled, specifically in recent years, with measures to enhance the level of civilization in rural areas.

Under the specific conditions of relief in Albania, expansion of agricultural areas represented an essential factor for the whole development of agriculture. The investments made by the state and agricultural cooperatives for increasing the land resources, by completion of projects of clearing, soil improvement, terracing and building of drainage and irrigation systems brought about major results. In 1984, the cultivated area increased by a factor of 2.4 versus the level in 1938, and the irrigated area increased by a factor of 13.

Gradually as the possibilities for using additional areas for farming purposes are being exhausted, the emphasis has shifted to intensive utilization of existing areas, in both lowland and hilly areas. To this end, a special program for the development of agriculture during the 1981-1990 period has been put into application. In the first stage of implementation of the program, respectively under this five-year plan, important investment funds have been mobilized (about one-third of all planned investments) for the acceleration of the process of intensive development of agriculture. During the 1981-1984 period investments from state funds totalled about 2.18 billion leka, and those from production cooperatives, 2.5 billion leka.

The objectives of the programs for modernization of agriculture cover a very broad area of concerns: improvement of farmland, expansion of mechanization, better organization of plant and livestock production, application of results of scientific research, efforts for monitoring and increasing the economic efficiency of the activity in agriculture.

Among the above-mentioned matters, a major one involves conservation and enhancement of soil fertility. Despite the results obtained so far, there still are lands that are weakly fertile, acid, sandy, and the like, involving reserves in terms of increasing yields, provided the required improvement projects are completed at an accelerated rate and upon scientific bases. Conservation of the agricultural land supply is one of the priorities, because a tendency has been noted in terms of decrease in agricultural lands caused by erosion, landslides and unjustified withdrawal of some lands from agricultural use. As for ensuring, through irrigation and drainage projects, the moisture conditions, overall satisfactory solutions have been noted, however perfectible in light of the kind of crops.

The need for more rapid mechanization of agricultural operations stems primarily from the greater volume of work required by the increase in farm output. Under this five-year plan efforts have been made for better utlization of the existing fleet of machines, with measures also taken for introduction of new technical means.

In animal husbandry, the orientation toward intensive animal raising involves creation of the corresponding fodder base. Although positive results have been obtained, it is necessary to double or even treble the production of fodder crops and improve the structure in this cultivation. Creation of large animal husbandry complexes does not mean renunciation of use of natural pastures, whose utilization, however, also necessitates specific development projects.

Concentration and specialization of agricultural production by and large represents a significant orientation, assessed economically as advantageous and which involves both animal husbandry and vegetable crops. For instance, cotton growing is concentrated in only four districts, rice growing also in four districts (versus eight a few years ago), and tobacco growing, in 13 districts (versus 20 previously). The above-mentioned process permits greater specialization of farm brigades, that now handle two to three crops, versus six to seven in previous years. In animal husbandry production is specialized according to the various species, through establishment of individual complexes for cattle, hogs, fowls, and according to the various products, by creation within the complexes, of specialized sectors, for instance, in milk, meat, egg and other productions.

In the process of development and intensive activity in agriculture an input in increase is provided by research and education units, directly involved in the endeavors to improve the technicomaterial base and survey the long-range issues of the entire agricultural sector.

The improvement in the standard of living of the population in rural areas also is a facet of the strategy of socioeconomic development of the country, which is in close correlation with the current and long-range objectives of agricultural development.

A report given at the June 1985 session of the People's Assembly of the Socialist People's Republic of Albania provides a number of facts and figures regarding the results obtained and the objectives proposed for the second half of this decade in the area of supply of food and manufactured goods to the agricultural population and in the area of housing construction and provision of sociocultural amenities in rural areas.

The volume of sales to the rural population (who account for two-thirds of the total population) in terms of foodstuffs and nonfood products went up between 1980 and 1985 by about 20 percent in the case of state trade units and 13 percent in the case of cooperative units. Provisions for the 1986-1990 Five-Year Plan involve increases ranging between 14-40 percent in sales of basic foodstuffs and major categories of industrial consumer goods, with the goal of having supplies rise at a decidedly higher rate than that of the increase in agricultural population.

In the first 4 years of this five-year plan there were built 27,000 individual dwellings, and for the personnel in state agricultural enterprises 4,700 apartments were put up. Annually the state allots large sums in the form of long-term credits for housing construction, specifically in hilly areas. The appropriation of about 100 million leka during the 1981-1985 period for creches, nurseries, schools, rural clubs and cafeterias located in villages also is a major contribution to the improvement of the standard of living of the peasantry.

Results of consistent efforts on a long-term basis, the development and modernization of agriculture enable this basic sector of Albanian economy, alongside of industry, to increase its input into meeting the domestic needs for raw materials and processed goods, and also into the creation of the fund of products for export.

The traditional Romanian-Albanian friendship and cooperation relations have continuously developed in the years of people's power, on the basis of observance of the principles of national independence and sovereignty, equal rights, noninterference in domestic affairs, and mutual benefit. There has been an increase in economic cooperation under this five-year plan, mirrored in the expansion of annual trade exchanges and in conclusion of agreements for broadening and diversifying bilateral economic cooperation.

11710
CSO: 2700/44

LACK OF COOPERATION REDUCES IRON-NICKEL ORE PRODUCTION

Tirana ZERI I POPULLIT in Albanian 7 Nov 85 p 2

[Article by Kostaq Duka: "For Lack of a Thread and Needle...."]

[Text] As a consequence of the lack of cooperation in solving certain problems which disturb the progress of production, ways are kept open for the loss of responsibility and the burdening of the economy with overspending.

Iron-nickel ore is produced in Korce, responsibility is sought in Pogradec

In the Rehove mine in Korce District a quantity of iron-nickel ore is produced for export. But the middleman on the way to Durres where the iron-nickel is unloaded is the Guri i Kuq mine in Pogradec. The mine did not get this middleman duty by chance. Inasmuch as the iron-nickel which comes from Korce District has great qualitative value, it is mixed with that of Guri i Kuq to improve its characteristics. Up to here there is nothing wrong. The bad thing deals with the responsibility. Inasmuch as it is up to the Guri i Kuq mine to play the role of middleman, it must also bear full responsibility for the production of export item, not only the amount produced here but also the amount which the Rehove mine of Korce District must ship out.

Therefore, the iron-nickel mine of Guri i Kuq accounts for the iron-nickel which is produced in Korce (and sometimes the export is not credited to the Rehove mine). "That is a fact," they say in the planning ministry, "that's the way it is done. For the export item, for the whole quantity which is sent to Durres, you are responsible...." "Why do you not supply the export item?" This question is posed emphatically in the economic activities of the Pogradec district. "But look, we have fulfilled our task, but those comrades of Korce have not sent their quantities." These explanations of the heads of the Guri i Kuq mine are repeated from meeting to meeting.

And it is good that this call for an accounting takes place, but they don't have the address precisely. We say they don't have it precisely because of the fact that principally responsible in many cases is the Rehove mine in Korce District. But it was unintentionally saved from great embarrassment for an export item which luckily it does not report as such because it has left the reports to the Guri i Kuq mine. The heads of this mine have gone to Korce several times, they have had discussions with the heads of the Rehove mine, with the participation of the workers of the two sections of the industry in the districts. They receive promises, but afterwards the trucks of the Korce auto park simply do not come. What happens? Korce District is among the districts noted for export. It has fulfilled and surpassed the tasks of this year. But how much would the non-realization of 1,584,000 leks foreign exchange burden the export plan of this district? This then is the value of the deficit which the Rehove mine has caused since the beginning of the year.

Is this deficit acknowledged in Korce district? It is acknowledged, but it is not treated with the strength which it would be treated with if it were valued as an export item, as it really is.

Therefore, we would have nothing bad, but only good if the Rehove mine would be responsible not only for the production plan and for the contracted tasks, but also for the export item.

For the Sake of Tradition

The workers of the sawmill are troubled, and with them, also, those of the packaging and production of chairs at the wood-processing enterprise in the district of Pogradec. They are not furnished periodically with lumber. Whose fault is it? Lumber is not lacking, it is produced in the sectors of the sawmills, but it waits at the railway station of Perrenjas. The transport is at fault, then. In following up this uneasiness of the workers we met with a practice like this. From the sectors of the sawmills in Uji i Ftohte and Bishnice, 25,000 cubic meters of lumber are sent to the wood-processing enterprises during the year. Of this amount 16,000 cubic meters pertain to the sawmill sector in Uji i Ftohte and only 9,000 to that of Bishnice. It happens like this. The 16,000 cubic meters from Uji i Ftohte are taken by automotive vehicles to the railway station of Perrenjas. The road from Uji i Ftohte to Perrenjas is 53 kilometers long, while there is another road which is 40 kilometers from Uji i Ftohte direct to the wood-processing enterprise. When you learn this, the question arises: Why not take the quantity produced in the Uji i Ftohte sector directly to the wood-processing enterprise, rather than travel over that road? Only for the sake of tradition? If the road is not suitable in the winter season, why not take advantage of it the rest of the year?

We have proposed this, they told us in the wood-processing enterprise. As far as we have heard the obstacles are presented by the Ministry of communications. A study we carried out shows that if not only the 16,000 cubic meters produced in Uji i Ftohte but also the 9,000 produced in Bishnice should all be transported directly with the motor pool vehicles, we would have an annual saving of 130,000 leks; at the points of loading and unloading ten fewer workers would work, and we would not have these delays. To take advantage of only 26 kilometers of railroad, the lumber is loaded and unloaded six times before reaching the wood-processing enterprise. Therefore, as the people way, "For lack of a thread and needle...."

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SHORTCOMINGS IN EFFORTS TO IMPROVE QUALITY OF CHROME

Tirana ZERI I POPULLIT in Albanian 26 Oct 85 p 2

[Article by Sami Milloshi: "Labyrinth of Excuses"]

[Text] Few attempts to concretely solve the problem of the averaging of chromium. The problem of the averaging of chromium ore is neither new nor unfamiliar for the two mines, Batre and Bulqize. Some time ago the mines, each by itself (in their own yards) accomplished the averaging of ore with the purpose of raising the quality of the product for export. Now there has appeared on the agenda, besides the averaging within each mine, also the averaging of the ore of the two mines. It is understood, this is a solution which transcends the narrow interests of each enterprise, therefore it is a solution of a great problem to the benefit of our economy as a whole. This purpose is served also by the special decision of recent times, a decision which the Ministry of Industry and Mines and also the export organs presently have in their hands as the producers of the ore. Up to this point all is in order. But the question arises: What is being done of a concrete nature for the averaging of chromium ore, therefore how is it understood and what measures are taken in all the links in order that, as the saying is, the work will run like a clock?

Actually, not only does the work not run like a clock, but it is not understood yet why it should run like that, not to mention the responsibility which each one has that no one "mechanism" of this "clock" should become a hindrance. Why do we say this? Here is a fact. On the account of the Batre mine "Mineraleksport" holds 6,000 tons of ore, only because this mine has not fulfilled by 1.5 hundred [as published] the task resulting from the decision about the quality of the ore. At "Mineraleksport" it is justly said that this mine must by all means provide the required quality of ore for averaging with the ore of Belqize. While in the Directorate of Mines at the Ministry of Industry and Mines there is another claim according to which, and because in this or that instance the quality is not provided, still the averaging can take place. "It can take place!" Certainly it can take place, but exactly who must do this averaging? And what is more, where? And for these questions you get quite a different answer both in the Ministry of Industry and Mines, also in "Mineraleksport."

"If it comes to us in our yards below the required quality, we do not do averaging nor is it up to us to do it," the director of "Mineraleskport" Niqifor Alikaj tells us. "Cranes cannot be used for small amounts of ore, but electric energy. Yes...." he continues.

Whereas in the Directorate of Mines at the Ministry of Industry and Mines, the director Frank Kroqi speaks to you with another language. "The enterprises of Foreign Trade do not agree that our men participate in evaluating the quality of chromium. They do not agree that a mixture be made of the Batre chromium with that of Bulqize, justifying this with the inaccurate analyses obtained from the material in the towers, etc., etc."

Who is right? What must be corrected so that this dropping of the relay-race baton of responsibility does not continue as much by the one as by the other? Naturally it is not so easy to make this or that organism guilty, but one thing is clearly understood. The fault remains an orphan because of narrow interests (from the producer on down to the others, so that each one comes out clean on his own account). They do not keep in mind what value, what effectiveness the implementation of the decision taken on the averaging of ore really has. When we say that narrow interests hinder, displays of ministerial bureaucracy, how do you say it, with this we have in mind that, though as we brought out, there are misunderstandings about solving concretely this or that problem, again listen to Niqifor Alikaj saying, "Nobody has come to us (Mineraleksport), to discuss what we are to do." Or, "You finish the regulation (the petition of "Mineraleksport" to the Ministry of Industry and Mines), afterwards let us talk." And as long as the problem remains unsolved, complaints about one another continue so much from one telephone to the other. Telephone consultations continue. "Why do you not mix the chromium in Lucan, but...." and "...listen, Sokol, (request to the director of the Directorate of Mines of the Ministry of Industry for Sokol Kabon, deputy director of "Mineraleksport"), tell Halik Hoxha that he is hindering us...." But in addition to these reciprocal admonitions by telephone, hope is not lacking. "But why, man, we are working for the one goal."

Nor is there a lack of the accounts which Franco Korqi keeps, according to which if work were done like this or like that, the economic effectiveness would be tens of thousands of leks foreign exchange, etc., etc. But who needs the slogans about the economic effectiveness of the averaging of ore, who needs these accounts, when in fact the matter has not been discussed openly by all the parties (beginning with the producer) in order to solve concretely with a creative spirit each misunderstanding there in the place where the averaging will be done. Those slogans, those complaints about one another on the telephone, as long as they leave the problem pending unsolved, are nothing other than bureaucratic procrastination harmful to the interests of the economy. If it is said, "But why man, we are working for the one goal," this must result in concrete efforts to resolve such problems. Who will do the averaging in the yard (wherever that is decided), the enterprises of the Ministry of Industry and Mines or

"Mineraleksport" (the discussion is always about occasions when the ore does not come up to the specified quality). Another question: Exactly how do we proceed in the averaging of the ore in the yard? All these problems are fully capable of being solved, if the producers and the directorates of the respective ministries would only discuss matters openly, and each retain full responsibility for whatever he must solve on the basis of the decision. And let all the basic organizations of the Party barricade themselves against the concepts and practices which nourish the narrow interests of the sector or the ministry, which only thrust the problem into the labyrinth of excuses.

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ELECTRICAL ENGINEERING INVESTMENT POLICY VIEWED

Prague PLANOVANE HOSPODARSTVI in Czech No 7, 1985 pp 70-76

[Article by Eng Elena Korenova, State Planning Commission: "Investment Policy in the Electrical Engineering Industry"]

[Text] Management of the electrical engineering industry department uses as a starting point the tasks and needs of its production, trade, and research structure corresponding to the requirements of the national economy and the development of socialist economic integration. Activities in the field of producing basic resources are also derived from this.

In application of investment policy, the department starts from the principles of the "Set of Measures To Improve Management of the Economy After 1980" and carries out the tasks laid out in "Main Directions for Economic and Social Development of the CSSR in the Years 1981-1985" approved at the 16th CPCZ Congress and the conclusions of the 10th CPCZ Central Committee Plenum on the tasks and development of engineering, electrical engineering, and the metallurgical industry after the 16th CPCZ Congress. The department directs the economic production units and subordinate enterprises to higher efficiency for the resources expended for capital construction, to more rapid returns on investments, to utilization of the results of science and technology, and to an orientation toward progressive modernization, rapid payback actions, and reconstruction.

The plan for capital construction for the Seventh 5-Year Plan created for the electrical engineering industry the conditions and space to ensure a more rapid rate of development and an improved make-up in accordance with the needs of the national economy and global trends. Despite the new conditions in the national economy at the beginning of the 1980's, twice as many investment resources were left to the department by law in the Seventh 5-Year Plan, with a production growth rate established at 36 to 42 percent, as were invested in the limited economic production units and organizations in the previous 5-year plan. A significant increase in the volume of work and deliveries created a favorable basis for gradually carrying out the designated tasks and for preparing for its further development in the next 5-year plan as well.

The orientation of the investments comes from the principles of intensive development in the production process, while respecting distributed investment actions and essential structural changes in the department's production base which are required by rapidly growing production. One must keep in mind that the electrical engineering industry department's production base was marked by an inadequate level of investment in the electronics fields in the fourth through sixth 5-Year Plans. It now has a large number of broken-down facilities and others which are not suitable for its needs and the tasks which are placed on the department.

Distribution of investments in the Seventh 5-Year Plan pursued the following intensification factors of the production process:

--the previously approved concept for the development of fields in the electrical engineering industry will be brought into accordance with the needs of the newly created department and of the national economy;

--the structural transformation of the production base will take place mainly through rebuilding and modernization and these forms of construction will take preference over new construction;

--the technical level and quality of the production base will be upgraded by application of R&D results and the purchase of licenses;

--the allocation of new developmental plans will be oriented toward areas with favorable developments in the labor force availability and increased attention will be paid to modernization and rebuilding to achieve maximum savings and better utilization of the labor force;

--particular attention will be paid to transforming the department's production base on the territory of the capital city of Prague;

--the development of the electrical engineering industry will be totally subordinated to the need for a definite strengthening of its anti-import and export capabilities;

--demands for importing machinery and equipment from nonsocialist countries will be minimized; the limits of DNU [hard currency credits] will be used first of all for specifically designated construction projects and those which provide exports to the USSR:

--imports of construction labor or construction professionals will not come into consideration;

--the use of steel construction designs will be reduced;

--greater efficiency will be achieved in investments; that is, there will be greater benefit from the products used and rationalization of fuel, energy, and raw materials consumption; better utilization will be made of the existing fixed assets and working more than one shift will be increased;

--the largest investment actions of the Seventh 5-Year Plan will be reevaluated from the viewpoint of their capital intensive nature, marketing secured, and demands for importing materials from nonsocialist countries and improving the efficiency (specifically this concerned a group of construction projects for the production of color picture tubes at the kraj enterprise Roznov Tesla for Kcs 1.4 billion and a group of construction projects for the production of asynchronous motors by MEZ in Mohelnice and Michalovce for Kcs 3.6 billion).

To implement the investment policy according to specific principles and tasks, the volume of work and deliveries was distributed into individual categories of investment construction in the following proportions: 31.4 percent of the construction work was designated for the development of buildings and construction projects. The volumes of construction work were derived from the intention of reducing the degree to which facilities are scattered, completing construction projects within the planned schedules, and with the construction projects already begun achieving savings in the first years at a level of about 10 percent of the overall budgeted expenses; 68.5 percent of the volume of work and deliveries was designated for the development of technology and machinery equipment and 49.5 percent for construction projects with budgeted costs over Kcs 2 million and 50.5 percent for construction projects with budgeted expenses up to Kcs 2 million, including machinery and equipment not included in the budget for the construction project. The limit on budgeted expenses [BE] for beginning new construction projects for the electrical engineering industry ensured significant development for the department.

Investments for construction projects with BE over Kcs 2 million were designated in particular to implement plans for the production of asynchronous motors, color television picture tubes, the development of electronics, automated control systems for technological processes, industrial robots and manipulators, medical equipment, tractor engines, and other construction projects.

The amount of the limit for construction projects with budgeted expenses up to Kcs 2 million, including machinery and equipment not included in the construction project budget, was established to ensure the importation of machinery and equipment for acquisition of computer equipment and machine tools and shaping tools to balance accounts; for measures providing savings in fuel, energy, and metals; for progressive modernization in the FMEP [Federal Ministry of the Electrical Engineering Industry] enterprises on the territory of the capital city of Prague and nuclear programs; and for the reconstruction and modernization of complete production sectors and working areas.

Under this distribution arrangement, 45 percent of the volume was directed at progressive modernization and actions with a quick payback. A 15 percent limit was set on technological equipment for the main production fields. This involves electrical sources of power and light, components for electronics, semiconductors and design elements, composite microelectronic elements, vacuum equipment, consumable electronics, measuring instruments, medical equipment, machinery for information processing, and automation and regulation instruments.

The limit of covering imports of machinery and equipment from nonsocialist countries without hard currency credits was determined for the most important investment actions supporting the production of color television picture tubes, integrated circuits, communications cables, area communications, asynchronous motors, electronic lithography, hybrid integrated circuits, distributors, robots and manipulators, plastic materials, and special equipment.

The capital construction plan also includes tasks arising from providing for three state target programs which include electronics, high-voltage distributors, and technical means for ACS [automated control systems] for technological processes of production and nonproduction activities. In addition, tasks were worked out by which the department will help to ensure the implementation of other state target programs [nuclear energy, savings in fuel and energy, and rationalization of the consumption of metals].

In the Seventh 5-Year Plan, a start was also made in deciding on and preparing the capacity required to support future departmental tasks connected with the predicted needs and development of the national economy in the Eighth 5-Year Plan and beyond. A primary need was shown to be accelerated modernization of the technological base of the department with a minimal orientation to imports for nonsocialist countries. This will involve the construction of capacity for the production of single-purpose, unique machinery within the department which in their parameters and quality will replace their importation from nonsocialist countries and save hard currency resources for the national economy. The growing quality demands on the component base for electronics and other assembly productions of the electrical engineering industry have required investments to resolve the existing electrical plant and to rebuild it for modern operations with technology corresponding to the high level of demands for quality of the components to ensure the reliability of the final products both in the electrical engineering industry and in other production departments and the organization of the entire national economy. Furthermore, preparation of investment actions has begun for constructing capacity for the production of detector instruments, regulators, and the component base.

The volume of investments in the Seventh 5-Year Plan was derived from balancing the capacity capabilities of the national economy for construction work and ensuring deliveries of technological equipment both domestically and by imports. Even though their level in comparison with the previous 5-year plans means a certain break and a jump in favor of the development of electrical engineering and electronics in the CSSR, it was not possible to meet a number of demands to support state target programs and in the capacity for production of tow cables and insulated conductors for surface coal mining, electrical furnaces, nuclear energy, motorized trains for the USSR, and others. These problems will have to be solved in the next 5-year plan.

A list of the basic tasks in the sector of capital construction which the department of electrical engineering industry is performing in the Seventh 5-Year Plan forms the basis of the annual operational plans for FMEP capital construction and its economic production units, including directly managed organizations, as well. It shows the difficulty and complexity of ensuring the proper proportions in the investment process. A number of measures were taken to carry out the tasks, which in the majority of cases effectively are helping to fulfill the decisive investment actions.

The results which the department has achieved since it was established [1 Jan 1980] show that it has made use of its given opportunities, especially in the economic and managerial fields. At the present time it is providing the greatest growth rate in production within the engineering branch, due to no small degree to the investment policy.

The process of investment planning in the department of electrical engineering industry takes place according to the uniform planning methodology and the regulations on methods-administration and legislative control of the investment process. The volume indicators of capital construction and specific lists of construction projects of a nature of important tasks, centralized construction projects, and other construction projects was worked out by the department for the subordinate VHJ's [economic production units] and directly managed organizations. It established execution of the tasks of the capital construction plan by designating the level of the amount of labor and deliveries for construction projects with budgeted expenses over Kcs 2 million as the minimum for the VHJ's and the limit for construction projects with budgeted expenses up to Kcs 2 million, including machinery and equipment not included in the budget for the construction project [SZNR] as the maximum. In the category of investments with BE's over Kcs 2 million, it was decided that 22 construction projects of the nature of centralized and important tasks should be completed in the Seventh 5-Year Plan. Of these, more than half [12] were designated for execution in the BHJ kraj enterprise High-Voltage Electrical Engineering Plants.

Fulfillment of the capital construction plan in the FMEP is complex. It takes place under conditions of organizational building of our own design organization and expert invetment units and stabilization of professional personnel in those sectors, which is accompanied with certain disrupting problems. The fundamental tasks are supported by a number of actions in addition to those of a planning, standardization, and legislative form. It thus pursues fulfillment of the tasks within the established schedule, especially in the case of putting capacity of an important nature into test operation and completing construction projects while achieving the design parameters. In this manner, management has achieved positive results in building a group of projects for the production of color television picture tubes. The department is continuously better utilizing its fixed assets and rujning more than one shift, as well as increasing the single-purpose machinery technological equipment by building up the production capacity by our own capital construction.

With the effective help of the SK VTRI [State Commission for R&D and Investment Planning], SPK [State Planning Commission], CPK [Czech Planning Commission], SIPK [as published], SBCS [State Bank of Czechoslovakia], and other central agencies, the department is succeeding in dealing with even the serious problems of the supplier systems, and investment, financial and hard currency coverage of construction projects.

On the b[illegible] the results achieved in the sector of capital construction in the [illegible] to 1984, one can predict that the FAEP will fulfill the Seventh [illegible]ar Plan. From the viewpoint of the economic results achieved as a whole, one can evaluate the expended investments as effective. Since its formation, the department has shown the greatest growth rate of production within the engineering branches [7 to 10 percent], while systematically ensuring the growth in profitability of production assets and a reduction in the material and energy inputs per Kcs 1 of output. In evaluating the efficiency of investments in the department of the electrical engineering industry, one must start with its role within the national economy as the bearer of and pioneer in new equipment in production, especially assemblies.

Up to this point, the FMEP still suffers from inadequacies in the investment process in the predesign and design preparation of construction projects, both in the timely processing of documentation and the economic justification and evaluation of the actions proposed, as well as in relation to the utilization of existing fixed assets. The degree to which more than one shift is worked is still not satisfactory and likewise getting rid of obsolete fixed assets and application of R&D results to the production process are both proceeding at a slow rate of speed. Carrying out investments is still affected negatively by insufficient clarity in the production concept and difficulties in concentrating capacity to implement the investment actions, which results in disproportionate extensions of the construction schedules and increases in scattering of facilities.

In accordance with implementation of the "Set of Measures to Improve Management of the Economy," it is necessary to increase demands for preparation and inclusion of construction projects in the plan in the FMEP. In doing so, it is essential to give preference to implementing the plan for technical development by modernization and rebuilding of existing facilities and savings in labor, fuel, energy, and metals and better utilization of the principles of exchangability among existing capacity to achieve full two-shift operations on highly automated and high-output machinery while continuing to push for three-shift utilization of especially high-performance and expensive imported machinery. In expanding modern products, it is necessary to pursue the corresponding surpression of and doing away with products with no future.

The FMEP's capital construction plan for this year and the directives for preparation of the plan for the first year of the Eighth 5-Year Plan are derived from fulfilling an updated plan for 1984, clarification of the plan of the Seventh 5-Year Plan, and the conclusions of the 10th Plenum of the CPCZ Central Committee. It supports maintaining the high rate of development of the electrical engineering industry even after 1985. The new methodology in planning investments has been applied to it, which provides for the division of the total amounts of labor and supplies into the amount of SZNR [machinery and equipment not included in the construction project budget] and the amount for the construction project as a whole [that is, for construction projects with BE's over Kcs 2 million and up to Kcs 2 million].

The composition of investments for 1985 pursues in particular support of the departmental tasks connected with state target programs, as well as rebuilding, modernization, and rationalization of the existing departmental production base, application of the results of the state R&D plan, introduction of computer equipment, and renewal of machinery and operational assemblies. These goal-oriented investments will primarily support renewal and development of the production base of the main groupings of production fields of the electrical engineering industry where one finds:

1. High-voltage electrical engineering;
2. The components base;
3. Investment electronics;
4. Consumer electronics;
5. Measuring, scientific, and laboratory instruments;
6. Computer, measuring, and regulatory equipment.

The amounts of investment for construction are derived from negotiations of supplier-customer relations for 1985, when eight construction projects are supposed to be finished. These concern capacity for the production of component bases and printed connectors in Prelouce and Roznov, measuring and regulator equipment in Trutnov, robots and manipulators in Presov, asynchronous motors in Mohelnice and Michalovce, and intermediate drives in Brno. The department has charged all general managers of the appropriate VHJ's to complete their construction projects within the established time schedules. In order to make better use of the fixed assets and multiple shifts, the department established a goal for 1985 of achieving an average of 82 percent utilization of machine work areas, which is five points higher than the level actually achieved last year. This goal is to be reached by more emphasis on getting rid of obsolete fixed assets, reconstruction and modernization, concentrating machines into technological assembly lines, and other measures.

The investment policy in the department of electrical engineering industry strives to effect significant structural changes, especially in supporting proposals by VHJ's for development and modernization of capacity for electronics and microelectronics which are the basis for automation in industry, transportation, communications, agriculture, and other areas of the national economy. It is accelerating the development of production capacity by exploiting R&D potential and cooperation with the socialist countries. Investment resources for machinery and equipment not included in the budget for construction projects are oriented mainly at ensuring increased production in the Seventh 5-Year Plan by 40 to 50 percent. Priority development of electronics and especially microelectronics helps to increase the use value of the products and improve the technology in decisive branches and fields of the national economy [FMPE - Federal Ministry of Fuels and Energy, FMHTS - Federal Ministry of Metallurgy and Heavy Engineering, FMVS - Federal Ministry of General Engineering, FMEP - Federal Ministry of Electrical Engineering Industry, FMD - Federal Ministry of Transportation, FMSp - Federal Ministry of Communications, MP CSR and SSR - Czech and Slovak Ministries of Industry, MZVz CSR and SSR - Czech and Slovak Ministries of Agriculture and Food, and MSt CSR and SSR - Czech and Slovak Ministries of Construction]. It thus helps to speed up the growth in the productivity of labor and lower material demands. It develops the effort to increase the export capabilities of engineering and other products in order to limit the demands for their importation. So far, however, this task has not been fulfilled to the extent necessary.

International division of labor within the socialist economic integration is still insufficient in the investment sector. It is essential to bring about conditions in cooperation with the VHJ's for implementing higher forms of cooperation, especially with the Soviet Union.

Through actions and concentration of investment resources, the FMEP along with the VHJ's is pursuing:

--securing a future tripling in the growth of production of component bases, electrical engineering, electronics, optical electronics, and in particular microelectronics;
--mastering and expanding the production of bipolar and monopolar integrated circuits and microprocessors by utilizing modern technological equipment, including electronic lithography [ELG Brno];
--creating conditions for the introduction of automated control systems, especially in the field of machine tools, shaping tools, and textile machinery.

In automation equipment, production is being developed of detectors [Trinec], detection instruments, servodrives, signalling elements, and equipment for measuring temperature, as well as the production of control, regulatory, measuring, and monitoring equipment for nuclear energy and measuring, testing, laboratory, and medical equipment. THE FMEP also takes care of deliveries of modern computer systems with the necessary peripheral equipment and programs, especially for control of technological processes. The production of electronic calculators and telecommunications equipment is being developed in accordance with the CEMA countries' uniform systems.

In the field of high-voltage electrical engineering, the FMEP is working to fulfill deliveries for capital construction in particular for the nuclear and fuel and energy program and the production of modern drives for engineering. To support the domestic market, investments are designated for expanding innovative products of consumer electrical engineering, especially color televisions, tape recorders, record players, radios, and other products.

In connection with the current status of the living and work environments and the need for improving and protecting them, the investment plan includes items for ecological construction projects and for a social program.

In addition to the above tasks, the investment sector is also dealing with problems connected with the creation of the "Elektromont" state economic organization, which is supposed to contribute to rational savings and a strengthening of the external assembly capacity of the department of electrical engineering industry.

In the "Basic Directions for Economic and Social Development in the CSSR for the Years 1986 to 1990" and the projection to 1995, production increases are foreseen in the Eighth 5-Year Plan of 63.2 percent and in the Ninth 5-Year Plan of 78.9 percent. The favored fields are development of electronic component bases, single-purpose machines, robots and manipulators while the growth rate will slow down in those fields which require a lot of material, particularly high-voltage electrical engineering.

Distribution of investments and their orientation in the Eighth 5-Year Plan and beyond is based on priority support of the progressive lines of development of the national economy by ensuring use of R&D outputs, target programs, savings in fuel and energy, the export and anti-import concept, and effective modernization of capacity. At the same time, it should achieve a high level of production and products of the electrical engineering industry comparable with the global standards.

The concept of basic investments starts with the capacity calculations and a demanding evaluation from the standpoint of economic efficiency. According to analyses of the efficiency indicators of the individual construction projects proposed for starting in the first half of the Eighth 5-Year Plan, the results for the FMEP are favorable.

A list of construction projects of important and centrally considered nature for preparation in the first years of the Eighty 5-Year Plan for the purpose of timely investor and design preparations, as well as providing the capacity needed in construction labor and technology, was passed to the design and supply organizations and will be further specified. One third of the budgeted expenses for construction projects planned to begin in 1986 is in support of development of the production capacity of state target programs and the rest is for expansion of capacity to improve the quality of production and products of the electrical engineering industry, problems connected with socialist economic integration, the production of single-purpose machines, and application of the results of R&D. Currently intensive work is being done on the concept of continuing rebuilding and modernization of the production base of the department and FMEP enterprises on the territory of the capital cities of Prague and Bratislava, as well as selection of investment actions prepared for starting in the second half of the Eighth 5-Year Plan.

In working out the plan of the Eighth 5-Year Plan in the sector of production of basic resources, it will be a matter of reevaluating the efficiency of utilizing existing fixed assets and the economic contribution of the proposed investments in relationship to the indicators of effectiveness established for evaluating investments. On the basis of the calculated contributions of the individual investment actions and a judgment of the social economic efficiency of the construction projects, an order of importance will be established for their planning and implementation in the next 5-year plan.

Carrying out the demanding tasks of the electrical engineering industry in the capital construction sector in the next 5-year plan and for the long term requires creating the appropriate conditions and prerequisites in the department, with which constructive aid by the other central agencies and departments, especially suppliers, should associate themselves. One must bear in mind that reaching the strategic goal of our economic policy, the electronization of the national economy, depends on mutual, dedicated, and responsible cooperation by everyone.

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EFFECTS OF 4TH, 5TH GENERATION COMPUTERS ON FOREIGN TRADE

Prague ZAHRANICNI OBCHOD in Czech No 9, 1985 pp 3-6

[Article by Bohuslav Vavra: "The Increasing Effectiveness of Internal Economic Relationships Resulting from the Use of Computer Technology (4th and 5th Generation Computers in Foreign Trade Organizations)"]

[Text] The development of electronics gradually reaches all spheres of the national economy, and thus has a direct impact on the competitiveness of many of our products in terms of quality and cost. In addition to the use of microelectronic components in the production process and in products themselves, there is nothing to prevent the applications of existing computer technology from becoming an integral part of the control process.

Computer technology resulting from microelectronic components is causing qualitative changes as the result of quantitative increases in capacities and of the ability to process much more complex tasks and achieve results within an acceptable or possibly necessary time limit. The speed with which many complex tasks may be solved makes it possible to use the new computer technology not only for the control of partial production processes, but for entire production and organization complexes as well. The technology's relatively low cost makes it possible to use it at many work centers and thereby help solve the dilemma of chosing between centralized and decentralized computer technology, a choice previously affected by high investment or operational costs. The centralization or decentralization dilemma remains as regards the acceptable structural complexity of both the system controlled and the system doing the controlling.

In foreign trade organizations (OZOs), the use of microelectronics can be found in the following circles and areas:

a. Organizational structure of OZOs

a1. Current organizational structure of OZOs

a2. Use of computer technology, 1981-1985

a3. Preparation of new organizational structures

B. Course of a commercial operation

b1. Preparation of a commercial operation

b2. Administrative processing of a commercial operation

b3. Evaluation and generalization of the effects of a commercial operation as regards other controls on enterprise trade policy

c. Elements of artificial intelligence in the control of OZOs and commercial operations

c1. Strengthening of identification abilities

c2. Strengthening of memory capacities

c3. Strengthening of logical evaluation abilities

c4. Strengthening of higher intelligence

d. Covering the information needs of OZOs

d1. Methodical approaches

d2. Research needs and verification of applications for the introduction of new computer technology for the control of OZOs

d3. Robotization in the administrative work and control of OZOs

Foreign trade organizations(OZOs) are a social and dynamic system in which the main driving force is people. Computer technology can influence the structure of a foreign trade organization itself, or affect an individual in such an organization, or also, by the so-called generation effect, influence the entire human population and affect enterprise structures in retrospect.

With a suitable utilization of computer technology and correct theoretical preparation, realistic changes can be made in organizational structures in the next 2 to 3 years. In contrast, altering the opinions of employees and encouraging them better to utilize the existing capabilities of computer technology would require more than the period of a single five-year plan. Therefore, in the further development of computer technology applications, we must deal not only with the development of the technology itself, but also with the psychological growth of the parties involved. The rapidity with which we will make maximum use of computer technology depends on the social consciousness of foreigh trade employees.

Computer technology will be applied throughout the foreign trade process, from forecasting to planning, the preparation of commercial operations, and replacements of routine administrative and many other mangement tasks. We will have to come to terms with the idea of robotization in administration as well as in managerial work because the majority of activities can be done algorithmically and are therefore fully replaceable by machines.

a. The Organizational Structure of Foreign Trade Organizations

al. Present Organizational Structure of OZOs

The organizational structure of large and medium-sized foreign trade organizations was determined in the late 1970s. One of the main influential aspects was the fact that these organizations in themselves represent the intermediate management link. They are managed by a director-general and have the following sections, managed by deputy directors-general or directors:

1. Trade section
2. Commercial policy and integration section
3. Economic section
4. Cadre and personnel section
5. Organization and automation section
6. Units under the direct supervision of the director-general

1. The trade section is managed by the deputy director-general, and in larger enterprises or sometimes in enterprises located in both of Czechoslovak states, will have a number of trade sections and a corresponding number of trade deputies. The trade section is divided into trade groups managed by trade directors. The size of the trade group depends on the commodity traded and the area of responsibility, and usually has 30 to 70 employees. The trade group is further divided into trade subgroups by commodity and area of responsibility. A trade subgroup usually has 5 to 12 employees. In large trade groups dealing with technical services problems, departments may be formed. In addition to a trade subgroup, a trade group often has an economic subgroup for some specialized services. There are many exceptions to the numbers of employees as well as to the structure. Transportation is covered by the trade section.

2. The commercial policy and integration section is divided into subject areas and is managed by the section director. The subject areas may be divided into subgroups. In addition to the area indicated by the section's title, it is responsible for scientific and technical information and for the technical development of the commodities processed by a given foreign trade organization.

3. The economic section is managed by the economic deputy director-general and is usually the largest in each foreign trade organization in terms of the number of employees and is structurally the most demanding, because it processses the plan, prices, foreign currency matters, salaries, statistics, accounting, financial policies and building management. It is divided into subject areas and further into subgroups, rarely with an intermediate department.

4. The cadre and personnel section is managed by the section director and is divided into personnel, cadre, and cadre education areas. In the case of large enterprises, it will reach up to 20 employees.

5. The organization and automation section is managed by a section director and is divided into three subject areas: computer center, programming and analysis, and organization and management techniques. Fifteen years ago, the management of this section influenced very positively the development of the utilization of computer technology in many foreign trade organizations. Unfortunately, in about 25 percent of enterprises, the functions of the section director and certain other positions were utilized to make personnel transfers within enterprises and cadre transfers between the foreign trade network and the enterprises.

6. Units directly supervised by the director-general--except for the secretariat of the director-general--are small subject areas such as the legal area, special tasks and defense, enterprise monitoring or individual work centers, such as fire control technologists.

The current organizational structure of foreign trade enterprises poses no obstacle to further development of the use of computer technology. On the contrary, the personnel composition of this structure significantly influences the speed of development in the period ahead, and it cannot be considered to be satisfactory. Not until during the preparation and aplication of the 5th generation computers can there be qualitative changes in organizational structure, including personnel strengthening.

a2. Use of Computer Technology in 1981-1985

In the 1981-1985 period, computer technology changed in approximately a fourth of the enterprises, while in a third the existing operational technology was strengthened. As a result, the problems in these enterprise groups are qualitatively diferent. In those enterprises where there was no change in technology, there is the risk that the management system being processed will be put out of commission, which would result in losses in the commercial area which are possible but difficult to define. Almost all enterprises have capacity problems to deal with. The upgrading of computer technology, and thus its new capabilities, made a broader use of the technology; therefore, these enterprises have also not satisfied the capacity demands. The capacities lacking are mainly interactive data processing or perhaps the individual utilization of a computer in the decision making process.

The extent of the upgrading of computer technology at the foreign trade enterprises indicates the length of time that current technology can be used, which in itself is a warning signal as regards further development of computer use. Computer technology that is over 5 years old is at best half as effective, and significantly affects the qualitative parameters of processing as well.

In the period under review, there was development of the production of a new group of computers, the so-called personal computers. These computers were practically not introduced in the foreign trade organizations, for which reason this entire area contributes to the passive application of computer technology in OZOs. Unquestionably, personal computers bring computer technology closer to the employees or to specialized work centers. At the same time, these computers contribute to changes in the psychological position of persons toward computer systems. Changes in the methodology of analysis, the utilization of programming languages as well as the extension of operational research methods into realistic decision-making are the side effects of the use of personal computers. So far, foreign trade organizations have not had to deal with these influences.

The miniaturization of computer technology in the mid-1970s made it possible to attain large computer capacities in a small space, but in this case the practical production overtook the long-term prognosis. Very soon after the industrial manufacture of large computer systems, the present parts base was used for the manufacture of table and later pocket calculators. The parts base was miniaturized so the dimensions of simple calculators became smaller and at the same time the capabilities were increasing. The miniaturization of external dimensions of the calculator stopped after it became possible to use a pencil point on the keyboard. Functional capabilities are not limited, and on the contrary are ever increasing. It seemed that gradually enhancing and improving the functions of these calculators would lead to the creation of personal computers. Miniaturization occurred much faster, and it is now apparent that the personal computer is not the continuation of developments as regards calculators, but instead a total decrease in the size of the original large computer systems. The personal computer with a 1/2 MB internal memory and 10-20 MB external storage exceeds the capacity of the large computers, which in Czechoslovakia are still being used frequently. Not only the corresponding capabilities but unfortunately the qualification and time demands for preparing effective utilization approach those of earlier large computers.

In the period under review, there was no decrease in the qualification or capacity demands of preparing for the effective utilization of computer technology, and it may be assumed that not even the other 5th generation computers will decrease the factual demands of preparing for the use of a more effective technology. The notion that a speaking compute, capable of reacting to spoken commands, will enable everyone to build computer information systems, is absurd. A speaking computer will solve concrete tasks easily and quickly only so long as the person issuing the commands is capable of correctly formulating his requests. The computer will replace routine physical tasks associated with transferring information as well as some basic thought operations, and therefore the human brain will be used at a higher level.

a3. Preparation of New Organizational Structures

Any kind of batch data processing with a 24-hour cycle or just a several hour cycle makes it impossible to include this activity serially in the routine administrative decision-making process. The automated control system of the OZO" is run this way on almost all computers in the sector. This is known as "parallel" processing because the data processing is being carried out independently, "alongside" the routine operation of the foreign trade organization. Only at some points is there a connection or crossing of these two systems. The effort to use serial processing under these conditions often leads to a waste of work forces.

Only interactive data processing, i.e., "instant" realization of the majority of the operations on the computer when man is operating the machine, makes it possible to include computer processing in series with other work activities, which is how the data processing merges in terms of time with the other activities of the employees of the foreign trade organization.

A qualitative change in the structure of data processing will necessarily lead to qualitative changes in the structure of management and therefore to changes in the organizational structure of the foreign trade organization. The future development of these structures may be considered as a variant, and it is possible that in certain enterprises, depending on the commodity, the areas being processed and the type of personnel, these structures will be even further differentiated.

The onset of interactive processing will be reflected in changes in the type of work, and in some cases even in disbanding some work centers and combining units. In the course of these qualitative shifts, work productivity increases by tens of percent and, in individual cases, there is an occurrence of a total elimination of previous "human" activities. In cases where the number of employees required division of a unit, there will be a remerger of it without a qualitative change of structure.

Further changes in the organizational structures of an enterprise will be necessitated not only by changes in data processing but also qualitatively, with another stage of management resulting from the utilization of the methods and functions of new computer technology and methods of data exchange between enterprises at the domestic as well as international levels. Of course, a new way of processing many trade procedures will occur, which will influence the existence of a number of work centers.

The preparation of new organizational structures, including the checking of personal computers and other new functions of computer technology, will have to become a part of a specialized work center in the foreign trade sector, either in a research institute or at the Mechanization Center for Foreign Trade, or possibly at a specialized foreign trade organization.

b. The Course of a Commercial Operation

b1. Preparation of a Commercial Operation

The utilization of computers in preparing actual commercial operations at the majority of foreign trade organizations is not at all widespread. This commercial area called for larger technological capacity and more extensive analysis that have been available up to now.

The production of personal computers with a sufficiently large internal memories and the possibilities of having these computers communicate with a central system fulfilled the first condition for the utilization of computer technology in preparing commercial operations. Furthermore, the trade reporter must have access to a number of ancillary facts and information, including information about the course of previous commercial operations of a similar type in a same or otherwise comparable territory. Furthermore, he will need to know transportation tariffs and other seasonal information, and in particular know a series of suitable programs for processing various data on the commercial operation. After chosing the variant, all important information should be in the centralized memory and selected data should be transferred automatically to the enterprise control system.

The necessary projection and program capacities are still an obstacle to introducing computers into the preparation of commercial operations, because the preparation of a commercial operation in individual commodities and territories may vary so greatly that it cannot very well be covered by a central method, even within the context of one enterprise. Only some segments of programs and some procedures can be the same for more than one commodity. We will return to this problem when we discuss the approach to further development.

b2. The Administrative Processing of a Commercial Operation

The problem of administrative processing of a commercial operation can be divided into export and import, possibly broken down regionally into the socialist and nonsocialist areas.

In the export area, a detailed study was completed about individual operations of the entire commercial operation, including documentation of all forms and regulations associated with carrying out the commercial operation. The number of operations reaches almost 770. Of these, at least two-thirds can be further influenced by using computer technology. The study was put together by a volunteer team of employees of several foreign trade organizations lead by Eng. V. David, RUOA a.s. [joint stock company] Chemapol. Putting this entire task into modular programs and gradually introducing it to foreign trade organizations is beyond the purview of that team, and further continuation of the task at a professional level has so far not been arranged.

The area of imports has generally not been researched. The recent effort to rearrange import activities under the umbrella of a foreign trade organization, Koospol, a joint stock company which would include other foreign trade organizations, took a heavy beating in the first round, and when the second round began the only cooperating company that remained was PZO (foreign trade enterprise) Kovo. Simultaneously, the principle of cooperation of the machine tool industry and nonmachine tool industry enterprises proved very difficult. Finally, the project was finished by Koospol itself, which promised to use it at PZO Kovo.

It has been known for a least ten years that individual foreign trade organizations cannot alone handle the complex processing of commercial operations. However, all the efforts toward further cooperation are failing to yield the necessary results. The cooperation problem must be solved methodically as well as organizationally, including elaborating on the material and moral stimulus for all participants.

b3. Evaluation, Generalization of Effects of the Commercial Operation for Further Management of Enterprise Trade Policy

The final calculation of each individual commercial operation, and its summarization by smaller or bigger territories, or by individual commodities or groups of commodities according to the organizational structure of the enterprise, are one of the realistic outputs in a number of foreign trade enterprises. Even though it is one of the most difficult applications of the existing automated data processing, one which demands complicated and often multistep storage and processing of enterprise data, most enterprises make very little use of these calculations. When this application was not available, everyone agreed that it was quite necessary. Then interest quickly waned. Even though in some cases this may be explained by the poor quality of data, we do not think this is the main reason. We assume that data which are demanding in this way need to be part of a qualitatively higher stage of output. The computer should evaluate the data further and indicate tendencies, signal turnarounds; then, the results cannot help but become interesting.

We lack the necessary experience with operational research and modeling methods to obtain the higher level output. There are very few employees in foreign trade who would be interested in, or would at least be capable of, imagining the application of multifactor analysis, the fusion of sets of Fourrier analyses and practice, for example. For this type of level, we will first need necessary data and methods of data transfer from external, mainly foreign, data bases. Simultaneously with research, development and verification of the application of new methods, there must be further practice with their utilization and extensive data gathering.

c. Elements of Artificial Intelligence in the Management of Foreign Trade Organizations and the Commercial Operations

Despite the fact that some elements of artificial intelligence already appear in the application of 4th generation computers, the main development can be expected when the 5th generation computers are introduced. In the majority of cases, it will not be the actual replacement of the human psyche by a machine, but a strengthening of many sides of human absorption, memory and reason. The time for social decision-making by machine, even in part, remains very far off.

c1. Strengthening of Identification Abilities

The area of absorption, sorting and the preliminary evaluation of input information does not necessarily have to be understood as a specific characteristic of a human brain, but may also be a capability of a complex new computer system which can handle a large amount of varied data, compile them, separate them, or possibly suggest a structure for their storage.

c2. Strengthening of Memory Capabilities

In the newly developed 5th generation systems, there will be more than just a quantitative expansion of memory elements, but a structured memory as well, which in spite of its large capacity will be able to find information quickly and, considering its structure and the structure of the sorted data, provide fundamentals for generalizing information or on signal interesting exceptions or deviations.

c3. Strengthening of Logical Reasoning Capabilities

This is a matter of two qualitative sides of machine logic decision-making. First of all, the average quality of the old type of decision making will be increased, i.e., the flawed decision-making of humans in ignorance of the rules of logic should be prevented; then it will be a matter of simulating the top level specialist in such a way that the computer will be capable of applying the theory of fusion of sets, intuitive logic, etc.

c45. Strengthening of the Higher Elements of Intelligence

Here we have reached the present limits of knowing the capabilities of machine processing of information. There are partial results that are very promising, which may be the final results for the next several years or possibly even for several decades. It is certain that the speed of the parallel processing of information in the systems of extensive parallel processes is comparable to the speed of processing information in the human brain. Thus, there are new qualities in the combination capabilities of computers--see chess playing computers, etc. When algorithms are well prepared, in some areas the machine can surpass the capabilities of a man in the same way that the sensitivities of artificial sensors surpass the senses of humans. In contrast, the formulation of problems, organizational and original thinking can resist using algorithms for a long time.

The newer opinions and findings that thought doesn't necessarily have to be algorithmic should also be mentioned, in which case the machine processing of information would be faced with totally different problems.

d. Meeting Information Needs

The 20 years of using computer technology in the OZO show how theory and practice influence one another but also how often theory on its own is not capable of significantly influencing current practices in a certain area. While we may constntly have been missing something in the software area, certainly program packages with methods of operational research was not it. These programs, even for Czechoslovak computers, have been available for at least 10 years, despite which the foreign trade area at individual enterprises has not used them in practice.

d1. Methodical Approaches

The approaches used in the development of automated control systems in foreign trade, and which were correspondingly successful in the recent period, can be categorized as follows:

d11 Amateur approach

d12 Semiprofessional approach

d13 Professional approach

d11. The amateur approach does not necessarily mean individuals, but a group as well. This approach in the past has led to many successful and progressive solutions for automated control systems at foreign trade organizations. We can thank this approach for the fact that so many tasks were completed. One of the examples is the beginning group from the computer center at the Veletrzni Palace in the early 1970s. At that time, a group of computer buffs from different professions--mechanical engineering, electronics, heavy-current specialists, mathematicians, physicists--met and formed a group which did a lot of useful work for Motokov, Koospol, Kovo, Merkurie, and other foreign trade organizations. For data processing at Motokov foreign trade enterprises, a two-tier sequentially indexed method was developed which to this day is very interesting.

The enthusiasm which always marks the amateur approach is a very positive but insufficient element in application of complex systems using computer technology. Therefore, this method should not be relieved on in the long-term, demanding plans for automated control system development;

d12. In case of the semiprofessional approach, a role is already played by the depth of the education of the individuals as well as the groups, but also the experience of a team. Most of the rationalization brigades utilize this method successfully, not because the individuals are semiprofessionals but because professionals need not constitute the majority of the team. In this category we may include the abovementioned export operation work by the team of Engineer V. David as well as many other significant works in individual foreign trade organizations;

d12. The professional approach is the only approach that is fully covered by qualifications, experience, and the necessary time capacities. Short-term, one day a week availability for work on a team, even if the qualifications are highly specialized, would not make it possible to process very complex systems.

We will have to continue to combine these approaches in practice, but we must never forget that the demanded professional general level of solution is limited by professional approaches.

D2. The Need for Research and Verification of Application for the Management of OZOs

d21. Areas Which OZOs Must Research

--The transfer of results from economic experiment area to the exchange and data processing area;

--The methodical management of cooperation of projection capacities of more than one OZO;

--Putting the method of operational research into practice;

--Searching for the optimal size of computers for individual stages of management and individual work centers;

--Optimizing the management structure of the OZO while using the internal computer network;

--Defining information contents and its management in the enterprise superstructure sphere.

The list of needs is not complete, but the tasks mentioned above should contribute to the clarification of investment policy in the renovation and extension of computer technology in the entire foreign trade area. Current empirical experience gives no reliable indicators for the future. The total lack of standard equipment in the individual foreign trade organizations, mainly the lack of uniformity in enterprises of comparable size or dealing with similar commodities, should be a warning sign for further investment policy. Stopgap methods in a period of fast qualitative changes have no hope of being successfully applied. The external assistance to individual OZOs will have to be more broadly based than the tasks referred to above. Otherwise, they will not be able to develop at a speed which is necessary in today's world.

d22. Issues Specific to the Utilization of 5th Generation Computer Technology

In addition to the general demands of the new generation of computer technology on the complexity of solutions and to an intuitive foreseeing of new problems, we must count on the utilization of foreign language information with a full use of national alphabets, with international exchanges of trade information directly between computer systems, as well as the need to work with insufficient and inaccurate information. At the same time, we must realize that trade information has some qualitative properties that are different from scientific and technical information.

During this period, we can assume processing of many documents or the corresponding data structures using robots to be realistic. Also, the control of information exchanges with domestic partners will be significantly automated and, therefore, changed.

d23. Trade Policy and Operational Research

So long as trade policy does not become offensive, the majority of possible effects of using computer technology and the corresponding methods will not find a user. In trade policy as well, there must first of all be optimization of the economic effect against the predominating method of fulfilling indicators --fulfilling the plan.

d24. Distributing Computer Technology According to Professions

When introducing decentralized computer technology, we must take into account the capacities of this technology, the demands and program equipment. At the same time, we should also take into account the capabilities and interests of a given employee so that we can support further development of the utilization of this technology. When a general managerial employee is satisfied by data with a central character, his secretary needs equipment for word processing, archiving text, and filing. The technical employee, on the contrary, needs a personal computer with mathematical equipment and a conventional clerk needs a terminal enabling him to modify data and input data into a data base. The same way that various automobiles with exactly designated characteristics are designed and manufactured, computers for a specific, designated use are already being and will be manufactured.

D3. Robotization in Administrative Work and in OZO Management

The robotization of administrative work has its justification in foreign trade as well. The planned or demanded growth of turnover of foreign trade and the resulting increase of administrative activity should be covered fully and soon by introducing computer technology. The growing commercial demands should be met by freeing commercial employees of administrative work and replacing the freed job slots for clerks by positions for young commercial employees. Considering the age distribution of employees in foreign trade, robotization should not bring significant social problems, as the pattern makes it possible for there to be timely qualification and renewal.

The demands on the growth of foreign trade turnover and realistic possibilities of delivering new computer technology create good premises for solving the majority of foreign trade tasks, assuming that concrete measures to deal with these tasks are taken on time.

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OVERTIME, FUNDING IN MINING DISCUSSED

VGMKs Pose Dilemma for Miners

Budapest HETI VILAGGAZDASAG in Hungarian No 49, 7 Dec 85 pp 52-53

[Article by Gabor Juhasz: "Miners Trap?"]

[Text] From 1 October of this year until the end of March 1986 the miners of Dorog Coal Mines who work underground can accept overtime work only in VGMKs [enterprise economic work associations[. Even though only 2 months have passed since the decision was born, creation of the VGMs [or VGMKs] has already divided the interested parties.

Overtime shifts have been practically eliminated at the Dorog Coal Mines since 1 October. Until then the miners working underground have descended into the deep 6-8 or even 10 shifts per month at the cost of their free time, mainly on Saturdays and Sundays. Of course the overtime shifts did not disappear because they are no longer needed, but because for a good 2 months now the miners are doing the extra work in VGMs. That is, the name and accounting for the weekend shifts have changed.

There is a very good reason for the change. The enterprise's wage budget available to pay for overtime work this year is near exhaustion, because the extra shifts over the plan due to last year's cold winter used up the money at the Dorog Coal Mines in the first quarter. And now winter is here again and more coal is needed than had been planned. For this very reason the enterprise management--with approval from the Ministry of Industry--decided that until 31 March 1986 those working underground may also accept extra work in VGM, because earnings paid in this are charged to the enterprise's expenses rather than the wage budget.

Before the decision the workers were informed about the new opportunity in workers meetings in the enterprise's three operations. "The work associations were organized on the voluntary basis until 90 percent of our workers affected did volunteer. Now 1,054 people are working in 49 VGMs"--says Ferenc Wagner, head of the economics committee of the enterprise trade union.

Even though the enterprise representative did not make us privy to the details of the calculations, he did reveal that much that in practice on the average the VGM pays about 50 percent more than the money paid for work done in overtime shifts. Just for the sake of an example: until now one Saturday morning shift paid a miner 660 forints on the average, while from now on theoretically it will pay 1,584 forints. A shift on Sunday morning will pay 1,900 instead of 690 forints. All this of course is true only on paper. By the time the miners receive the envelope, the"rate" for Saturday morning after the deductions is only 830 forints, and 1,020 forints for a Sunday morning. This is because many kinds of expenses decrease the income of the VGM members: taxes, the sum paid into the VGM's reserve fund, and cost reimbursement deducted by the enterprise.

Gross and Net Earnings of the VGM Members in October 1985 During one Shift at the Dorog Coal Mines (if the Norms are Fulfilled)

	Gross earnings	Net earnings
	Forints	
Saturday		
Morning	1584	828
Afternoon	1900	1019
Night	2218	1213
Sunday		
Morning	1900	1019
Afternoon	2218	1213
Night	2534	1401

After this it was no surprise that the opinion of the miners--according to their interests--is divided when the VGM is being discussed. "For the most part the young people approve of the VGM, the older ones oppose it"--says cutter Jozsef Palfistyak. The explanation for this is simple: even though the VGM pays more, earnings thus acquired do not count towards the retirement base, while the income earned from overtime shifts was considered in calculating the retirement pay base. Since the VGM replaced the overtime shifts, the retirement pay base of the workers became smaller, even though they spend the same amount of time working underground. And this is not the only disadvantage of the VGM. "Money thus earned is not counted towards the length of service reward fund. For us 'undergrounders' the length of service reward can even be as high as 19.5 percent of the annual earnings"--maintenance group leader Gyorgy Schiszler joins the conversation--"and we also lose out on the health benefits and vacation pay." Jozsef Palfistyak has also calculated that basing it on 6 extra shifts per month, the decrease of income may amount to thousands for work done in the VGM for one year.

According to those closer to retirement, the VGM is no solution, not even temporarily. And in one of the units, the Alagut Mining Operation, the age of the cutters is around 45 years. "Those born in 1937-1938 are already concerned about the retirement pay calculation"--says Istvan Radoszta, the operation's manager. They would like to work in a "job with retirement benefits" again, that is, with overtime. But they will not be able to do so until the end of March--at least not according to the present situation. That is, at this time they have no choice. Except for a few exceptions, those who want to work on the weekends have to be VGM members. "The best thing would be if there would be a choice and everyone could work in the format he wants. If he needed a lot of money quickly, he could work in VGM. If his interest is long term security, he could work in overtime shifts"--says cutter Erno Kis, and his fellow miners agreed with it.

For the time being the only thing that remains is work done in VGM. By the way, during 8 hours of this more coal is brought to the surface than during the weekdays. "There is nothing special about this, performance also used to be higher in the overtime shifts than during the weekdays"--observes Istvan Radoszta. Even though he did not quote exact production data claiming to have no comparative numbers, he did add this: the explanation for the higher performance is mainly that on Saturdays and Sundays the cutters are "going for coal," this is when they derive the benefits of preparations made during the week.

"With the passage of so little time it is not yet possible to talk about experiences but we can already conclude that the VGM is no miracle cure"--the manager summarized his impressions in conclusion. According to his position this solution now improves the national economy's energy situation and makes it possible for the enterprise to overfulfill its plan without paying additional wage taxes, and last but not least it provides the miners with extra income over the short range. But in its present form it can only be a temporary solution--he adds--and it can exist only until the decisions--often mentioned also in Dorog--are made to improve the situation of the miners. Over the longer term only the raising of base wages, construction of miners' housing and improvement of the working conditions can help. That is, in this case--this is the opinion in Dorog--there would be enough miners and they would not have to work so much overtime.

Terms of Government Fund Allocations Eased

Budapest HETI VILAGGAZDASAG in Hungarian No 50, 14 Dec 85 pp 50-51

[Article by Mrs Lorant Kismarty: "Special Finance Department"]

[Text] Until now the so-called basic state grant has been a special domestic form of loan: neither a budgetary grant nor a loan, since it had to be repaid in the form of annuities, but done so from the pre-tax profits. According to an October government order in the future enterprises will be able to receive basic state grants with more favorable conditions than before--as can be seen from the following article of a top official of the State Development Bank.

Recently the Hungarian Roller Bearing Works received 191.6 million forints as basic state grant from the State Development Bank (AFB), and the Mosonmagyarovar Metal Equipment Factory received 321 million forints. In 10 years the Debrecen people will pay back 325 million forints, the Magyarovar people a little less than 546 million (for more details about this see the 26 Oct 1985 issue of HETI-VILAGGAZDASAG). On the other hand barely a week or two ago the Tatabanya Coal Mines Enterprise--on the basis of the National Planning Commission's decision--also received basic state grants from the AFB for two major investments, to open the Many and Nagyegyhaza mines. In payment for the 7.2 billion forints received the mining enterprise in 15 years will have to pay the bank about this same amount in annuities. A little more than the 7.2 billion if the investment implemented from the loan brings in more profit than planned, and less if the profit is less.

The terms of the repayments cannot even be compared to each other, yet we are not talking about two kinds of award constructions nor that the two machine industry factories have a lesser need for inexpensive money than Tatabanya people. What explains the difference seen in the payment conditions is that during the few weeks which elapsed in the interim the government accepted the proposal submitted for the further development of the basic state grant system. According to the government order published basic state grants can be given for investments begun after 1 January 1986 with conditions similar to that of the mining enterprise's. The basic grant is a special way for domestic enterprises to obtain money. It cannot be called a loan, because, loans payments must be made from the profit remaining after taxes are paid, and only the interest can be charged off as expense (that is, built into the price of the product made). The enterprise must pay the annuity payable for the basic state grant from its pre-tax profits, so that by this the enterprise decreases its tax base and as a consequence also the tax it has to pay. In the economic sense of the word it appears that the basic grant has no interest rate, the amount received and the profit of the financial institution granting it must be repaid under the name of annuity. It is true, however, that according to the practice still in effect this year--as the examples of the rolling bearing works and the metal equipment factory also indicate--the enterprise taking advantage of the basic grant must in the final analysis pay back a similar sum as if it had taken out a loan in the same amount as the basic grant. That is, calculated by the average domestic interest rates during the 10-year repayment time the enterprise must pay into the account of the bank making the loan 170-180 percent of the sum borrowed. According to the past practice of basic state grants the enterprise receiving the grant paid back 17 percent of the amount received each year to the AFB for 10 years as annuity. And in 10 years this comes to exactly 170 percent.

This same thing raised a question about the original goal of the grant system. That is, originally the basic state grant was created for the very reason to prevent a specified group of enterprises from being forced into debts in excess of their abilities. According to analyses by the AFB not only those enterprises got into difficult financial situations in recent years, which struggled with sales and economic operating difficulties and problems. The signs of going into debt appeared besides this, mainly among the enterprises making raw materials and semifinished products, and also at those which implemented developments selected by the national economic plans.

These enterprises--such as, for example, the producers of energy sources, metallurgical operations, power plants--due to the character of production could often develop their activities only through gigantic loans. Because of the conditions of their loans they should have produced higher than average yields but this--at least in general--is not characteristic in these very production branches. Some of these enterprises tried to counterbalance the stricter enterprise regulations and the extra burdens due to the increased cost of financing by price increases. But this--as the price increase was spiraling on in practically the entier national economy--increased the inflation. In other cases finally the national budget gave these enterprises subsidies to increase the enterprise's income.

It was proven on the basis of the AFB's analyses that the conditions for enduring and rapid growth can be created at few enterprises in Hungary if only the enterprise's own resources and loans are available for this. It seemed necessary to set up a new construction for providing money by the state.

The basic state grant became this construction. By the government's resolution the enterprises have been able to obtain money in this manner since 1976, at that time only as an experiment. Until 1980 this was able to "help" only a few enterprises: between 1976 and 1980 the AFB which made the grants had only 1 billion forints available for this purpose. The experimental stage ended in 1980 and since then the enterprises have been receiving 1 or 2 billion forints per year as basic state grants. Since even this sum cannot be called too large, necessarily only a limited circle of the domestic enterprises was able to obtain it. The grant opportunities were further restricted by the fact that it could be requested only for those investments the implementation of which were decided by the enterprises rather than by governmental organs.

The problems indicated here in the basic grant system of the past led to the recognition that the system must be further refined. The government also accepted this. The size of the sum that can be spent for basic state grants will be included in the Seventh 5-Year Plan, and also after the plan is developed and adopted will the enterprises learn the details about what basic state grants can be requested.

The general conditions for basic state grants are already known today. One of the important current changes is that this construction can be used in a broader circle of developments than before:

--In the future basic grants can also be given for centrally decided developments, for example, to open mines, to build power plants. At these investments the National Planning Commission will decide the amount and conditions of the basic grant, within the framework of the investment decision.

--The enterprises can also receive basic grants if they by their own decision carry out developments selected in the national economic plans. For example, according to this the coal mines can expect basic grants because by the development they decide on they can improve the conditions of coal production--or the construction material enterprises because they would modernize or expand production of their products. Basic grants can also be obtained for enterprise developments through which energy or material can be saved. It will be learned after the national economic plan is finalized, which enterprises will finally be actually receiving the basic state grants based on the examples listed above.

--According to present thinking basic grants will be able to help create new enterprises, subsidiaries, and business associations operating with foreign participation.

Basic state grant can be given for enterprise developments if 70 percent of the necessary amount is available from other sources (also including bank loans) to the enterprise, that is, a maximum of 30 percent of a development's costs can be financed with a basic grant. Exempted from this are mining, the electrical energy, brick, shingle, lime and cement industries as well as the public service enterprises.

Among the resolutions specified by the government's order it will be decided within the negotiation between the enterprise and the financial institution making the grant--not necessarily exclusively the AFB in the future--what annuity will apply to the grant and within how long a time it has to be paid back. No state grant may be given at all for enterprise investments among the sources of which there are other grants paid by the national budget, for example, a non-repayable subsidy.

Naturally the basic state grant will not be the only source in the future either for financing domestic investments. In addition to investments implemented from own resources and from loans the various forms of budgetary assistance will remain. The enterprises can receive state loans where the budget will "take on" a part of the principle or part of the interest. The enterprises may also receive free grants from the budget though only in a very narrow circle compared with earlier years.

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1984 WAGE SYSTEM EFFECTS EVALUATED

Warsaw ZYCIE GOSPODARCZE in Polish 17 Nov 85 p 11

[Article by [L.]: "More Viable, After All"]

[Text] The law passed on 26 January 1984 regarding plant wage systems allows enterprises to use wage systems which are more flexible and adequate for their conditions of operation. During a period not quite a year and a half that the law was in force, i.e., up to 30 June 1985, 2,659 plant agreements with regard to wage systems were recorded at the Ministry of Labor, Wages and Social Affairs. Such agreements went into effect at that time in 983 industrial enterprises, 442 building enterprises, 302 enterprises belonging to the agricultural sector as well as 77 transport enterprises, 123 domestic trade enterprises and 51 units of foreign trade.

In answer to the question: What is the actual extent to which the law is used? It may be said that it is still not very large. During the period under discussion, only approximately 21 percent of the industrial enterprises as a whole and approximately 25 percent of building enterprises and 15 percent of transport firms adopted the wage principles allowed by the law. The best showing in these statistics is made by units of foreign trade--the new systems are used by approximately 72 percent of these units. However, this data does not say everything. Although, the law is only made use of by every fifth industrial enterprise, it already encompasses 43.5 percent of the industry's workers while the enterprises which make use of this law contribute to as much as 51.4 percent of the country's production. The ratio in the case of the building industry is similarly arranged and this is even more pronounced in the case of the transport industry. Only approximately 15 percent of the transport industry's enterprises have introduced the new wage systems. However, they employ as much as 75 percent of the transport industry's workers. It may be assumed that PKP carries the most weight here.

Of even greater importance is the answer to the question: What are the effects of the use of the law on plant wage systems on enterprises and the economy? Thus, according to GUS data, enterprises that introduced the new wage systems as early as in 1984, today receive results better than the average for the economy. Whereas industrial production was higher by 2.2 percent during the first half of the current year [1985] in comparison with the same period in 1984, the production of enterprises using the plant wage systems was 3.7 percent higher. Furthermore, these enterprises achieved better results along with a drop in employment greater than the average for the entire industry. That is why, inasmuch as sold production per employee rose in industry as a whole by 3.1 percent, in industries using the new wage systems it rose 5.8 percent. The decline in employment in enterprises using the plant wage systems also resulted in that although the growth rate of individual wages was only 2.7 points higher in these enterprises than in industry as a whole, the growth rate of the average monthly wages was already 4 points (20.1 percent and 24.1 percent) higher. Similar trends occurred in the case of the building industries. That is why the inference that enterprises using the new wage systems on the basis of the law of January 1984 are today somewhat more vital than the remaining ones appears to be just. And even though it is difficult to measure exactly to what extent the introduction of the aforementioned law plays a role in all this, it surely is not without effect.

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UNAVAILABILITY OF POLISH TRANSLATIONS OF ECONOMISTS LAMENTED

Warsaw ZYCIE GOSPODARCZE in Polish 22-29 Dec 85 p 11

[Article by Irena Topinska: "From the Point of View of the Past 17 Years"]

[Excerpt] We could continue to analyze the topics which were awarded for a long time yet. However, perhaps it would be worthwhile to take a look at them from a somewhat different point of view while asking which trends, from among those that are considered important and well-known, were not singled out for distinction. Thus, for example, the "Cambridge school of thought" is not among those honored--no one to represent this post-Keynesian trend in the economy and at the same time, one which refers to Marxist and Ricardian tradition. Awards passed by probably the best known representatives of the theory of growth (Harrod and Domar). The nonmarket economy is for all practical purposes missing from the list of awards while centrally steered systems have been totally "forgotten."

It is, of course, difficult to confirm the reason for these "blank spots." Did they come about totally by chance or did a certain tendency on the part of the academy (or perhaps of the [nominating] committee) reveal itself in this way toward singling out work related to the market economy--and this, in a rather liberal way and form? Assar Lindbeck points out that the preferential treatment of certain trends is not the result of some sort of intentional policy but is only a reflection of the current state of research in the field of economics.

Polish Editions

Not all Nobel prize winners won owing to their world renown theories as, for example, Samuelson, Hicks, Hayek or Friedman--at least in the case of the international community of economists. This should not be surprising considering that awards are not given for possessing a famous last name. However, if an average Polish reader would like to become acquainted with the output of the particular laureates--those more or less well-known--he will not always be satisfied. The case of Polish editions of the work of Nobel prize winners is not, to be sure, the worst but in certain instances, it looks strikingly bad.

Eleven laureates (Arrow, Hicks, Kantorowicz, Klein, Kuznetz, Leontief, Myrdal, Samuelson, Simon, Stone and Tinbergen) have seen the Polish translation of one or several books come about. It is possible to eventually get a hold of, though with great difficulty and sometimes simply by chance, the Polish editions of the work of the following seven economists (Frisch, Hayek, Lewis, Mead, Ohlin, Stigler and Tobin). And what about the remaining ones? Particularly, the inaccessibility of the works of Schultz and Friedman and for all practical purposes, also those of Hayek and Lewis seems to be disquieting. These are commonly known authors who express themselves on current issues of interest to everyone. Why not make it possible for every student of economics to acquaint himself with the views of Hayek in a discussion with Lange? Why should the average reader not find out something about positive economies, about finances or the "human capital" concept?

It would be desirable for the world of economics to stop being accessible only to professionals so that everyone could read in Polish at least some of the work of all the Nobel prize laureates.

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REFORM SEEN AS THREATENED BY CONSERVATISM

Warsaw ZYCIE GOSPODARCZE in Polish 10 Nov 85 p 12

[Article by Janusz Ostaszewski: "Against Harmful Alliances"]

[Text] The cream of the crop of Polish economists gathered in Katowice at the most recent conference of the Polish Economic Society is faced with a difficult task. The society has taken upon itself the role of a collective expert and consultant and at the same time, it has proclaimed a motto that the reform cannot fail. Therefore, the Katowice deliberations must produce a clearly and directly formulated assessment of the reform process as well as concrete proposals of action which this process would continue further.

If the reform could occur as a purely economic process and if it could come down to the imposing upon management of rules and regulations specified by laws and an economic account exclusively, the matter would be simple. It appears that a portion of fervent advocates understands it [reform] in this way but so does a part of the staunch opponents. Some appear to overrate the possibilities of self-regulation whereas others are hooked on a mirage of the omipotence of the institution of state and believe solely in centrally conceived regulations introduced by dictate.

Because we have tested thoroughly and at the same time painfully the ineffectiveness of activity based on the second of the aforementioned ways of thinking--we dismiss it. However, careful thought also prohibits the testing of the first method directly on live, as it were, human beings. Above all, because it is a truism that reformation is a social process. Therefore, from this issues forth the system of influential forces on the success of reform formulated by sociologists a rather long time ago.

Pure self-regulation, to say nothing of doctrinal considerations, would have to, after all, result in a drastic unsettling of the social feeling of security. If the reform were to strike too drastically against the quality of life of large social groups, then a sharp protest could be expected against such methods and policies which led to its [reform] introduction. Therefore, in anticipation of such a scenario, policies must steer a middle course between coercion and donation and play by compromise. In effect, therefore, the reform takes on a rather clumsy shape--it is not fully consistent and as a result not fully effective.

However, it is a fact that currently we have a situation in which policy appears to be giving in under the pressure of conservatists, who not feeling a strong bridle, are ready to take us to regions which are even more crisis causing than those proposed by radicals. Therefore, we find ourselves in a period in which it is becoming increasingly more difficult to protect ourselves against the fear that something has already been muddled and that we are threatened with long-term stabilization on a minimal level.

Will the voice of economists be capable of turning the scale so that the reform could not be unsuccessful?

Compromise has given rise to a situation in which an alliance of the weak has come about. Prof Wladyslaw Baka expressed this very clearly in a commentary entitled "The Most Difficult Thresholds" published in the 62d supplement of RZECZPOSPOLITA--"Economic Reform." This refers to the alliance of weak cadres on the central level, which do not have the ability to find solutions in accordance with the new rules of the economic game, with weak cadres in enterprises, which do not know how to use their imagination, initiative and resourcefulness without having them imposed from the top. This pact of the weak hurts the reform and is gaining strength. It is capable, by circumventing or downright breaking legal principles and political declarations, of winning over using the old carrot on a stick method, those portions of large social and professional groups that also are not very disposed toward taking the risk of competing for better wages for better work and assuming the risk of self-government and its consequences.

Therefore, it is the obligation of economists to warn policy about the consequences of this alliance, although, this will not be an easy task.

It so happens that the driving force in this pact of the weak are people, who surrounded by an aura of supposedly precise thinking, have an unrestrained tendency toward the mechanical shifting of technicalist rules and regulations onto social life. Economics is not an exact science and its voice sometimes seems weak in the face of loud statements that two plus two equals four. However, this is not the case in this specific addition; such a formula is false and economists must find convincing proof of this.

There are two large professional groups which cooperate with each other on the bottom as well as on the top rungs of the ladder which regulates economic life. These are engineers and economists. In discussions that are carried on between them, they speak to each other on two different wavelengths and instead of coming together and synthesizing, their ideas separate and go in opposite directions. At the same time, however, these groups can have a decisive influence on whether the reform will be a success. Therefore, in order to assure the success of the reform, it is the task of economists to work out a plane of understanding and a platform on which an alliance in the interest of the reform, in the interest of the future of us all would be possible. The Katowice forum could do quite a lot in this regard; begin a dialogue that would unify accounts. After all, it is a question of obtaining a minimal level of social losses from this accounting. Separate settling of accounts, forcing one's way alone toward recognition by adhering to the binding stands of one or the other group leads to nowhere.

Therefore, an alliance of the strong is necessary. Only then will the voice of economists not be suspended in midair again as had been the case so many times before but will become a determining factor for decisions which will outline the future in colors brighter than is the case now.

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PRIORITY URGED FOR MANUFACTURING OVER EXTRACTIVE INDUSTRIES

Warsaw POLIMERY in Polish No 4, Apr 85 p 164

/Text/ We have never overemphasized the fact that our industry is aging. Of course, we were referring primarily to chemicals, but not only to them. Especially since our lag in development is something of which all strata of society are finally becoming aware. But there are industries which are even more behind than the chemical industry.

I do not know if anyone has calculated a kind of "backwardness coefficient," or what kind of criteria he might have used. Perhaps it could be a comparison of the dates when we and our rivals began certain kinds of activities, perhaps it could also be the basis for calculating how much time (and time is money) we would need to catch up with our competition, which also would not be standing still. In time even our most modern enterprises puchased abroad will not be as good as supermodern ones. The plans of our factories could be simply copies of our competitors' enterprises. But if only we had in our desk drawers at research centers continually updated projects, always ready to be put into operation... Dreams do not cost anything.

Obviously, even the best projects are not enough if we continue to use outmoded procedures, organization, and generally accepted industrial priorities. We must learn to be frugal, to be efficient, to live with pencil in hand. Let us free ourselves of the mentality of raw material suppliers, especially since our supplies of raw materials in many cases are coming to an end, not to mention the fact that our deposits are becoming even poorer, and therefore more expensive. Even our coal deposits are not inexhaustible, and they are getting deeper and deeper, and therefore mining them is becoming more and more costly.

We must give priority to manufacturing over extractive industries: to finished over semi-finished products, to semi-finished products over raw materials. We must encourage the development of the chemical industry, modern electronics, computers, nuclear technology, and other industries which are just emerging, e.g. genetic engineering, etc.

As a model we could take Finland: a wealthy and industrious country, although poor in raw materials. Aside from rock, water and air, the Finns have only one raw material: wood. But both they and the rest of the world know that they have to begin economizing on wood.

Let us try to be Finns.

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HIGH HOPES FOR CYCLOHEXANONE PLANT EXPORT SALES

Warsaw POLIMERY in Polish No 4, Apr 85, p 165

/Text/ The more than successful start-up of a cyclohexanone plant in Strazke (Czechoslovakia) built by Polimex Cekop has aroused the interest of specialists from many countries. It should be recalled that this technology was created by scientists from the Institute of Industrial Chemistry and from the Nitrogen Plant in Tarnow; they are responsible for many new inventions.

In a move unrelated to the plant in Strazke, the Spanish firm "Productos Quimicos del Mediterraneo" has hired our specialists to modernize a similar plant built by the Swiss firm "Inventa." Incidentally, with regard to the Polish technology, the Swiss cautiously expressed the opinion that it holds no promise for the future (especially for sale abroad). After the beginning of cyclohexanone production in Polish plants and the start of construction of the Strazke, the Spaniards concluded that their original technology (i.e. the one based on the Swiss plan) is not as advantageous as the Polish one.

In view of this, the Spanish firm to completely rebuild the production unit, which was operating under rather difficult conditions, oxidation under a pressure of 1 MP at a temperature of 100°C. The modernization led to a reduction in consumption of raw materials and prevented the accumulation of sediment during production. When the modernized plant began operation in the summer of 1983, the results were so good that the client waved his right to test the product.

The next Polish cyclohexanone plant will be built in the Soviet Union. There are hopes for increased sales of licenses, especially to the capitalist countries.

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ECONOMY POLAND

BRIEFS

REDUCING NEED FOR IMPORTED PLASTICS--Felt factories in Lodz, the Scientific Research Center for Rubber and Vinyl Products in Oswiecim and the "Chelmek" Southern Leather Factory have jointly developed a type of adhesive material for producing so-called stiff toes and heels to replace imported thermoplastic materials. By the end of 1984 the Lodz factories were to produce 15,000 square meters of material for "Chelmek." In 1985 deliveries will amount to 200,000 square meters, thanks to the installation of a new sewing machine bought with funds from the parties concerned and ministrial allocations. Those 200,000 square meters will be worth 350,000 dollars. Total consumption in Poland of stiff materials amounts to 550,000 square meters. More cannot be made until a new carding machine is installed. Carding machines are being built by "Befama" in Bielsk-Biala, and will not cost any hard currency. Other shoe factories are also interested in this invention. /Text/ /Warsaw POLIMERY in Polish No 3, Mar 85 p 123/ 9970

IMPORTED DENTAL MATERIALS CUT--Among the new discoveries of the Scientific Research Center for Rubber and Vinyl Products in Oswiecim, of particular interest is the solution to the problem of dental materials, which hitherto have been imported from the U.S. and are very expensive. Incidentally, the Mifama company of Milan has bought the license. The head of the Center's production plant, Dr Ludwika Wlosinska, produced a material which closely meets requirements. Due to the small scale of production (around 30 tons per year), Oswiecim was unable to cope with the task, but the Synteza cooperative in Poznan took an interest. Production began in August 1984. The cost of production, according to calculations of the Oswiecim Center, is about 600,000 zlotys per ton, while the foreign supplier charged 1,700,000 zlotys per ton (in dollars). This is clearly a very profitable business, especially since no country in the socialist bloc (except Czechoslovakia) produces dental material of the same quality as that of Synteza; even the Czechoslovak material does not meet the standards of the American prototype. Encouraged by this success, the Research Center in Oswiecim has started work on developing further materials of this kind. /Text/ /Warsaw POLIMERY in Polish No 4, Apr 85 p 165/ 9970

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CONTINUING FRAGMENTATION OF ECONOMY REVIEWED

Belgrade NEDELJNE INFORMATIVNE NOVINE in Serbo-Croatian 10 Nov 85 pp 22-24

[Article by Scepan Rabrenovic: "Nations and Economies"]

[Text] Last week in Sarajevo, Yugoslav economists spent two days arguing about whether national economies are suitable for Yugoslavia or not. Sarajevo was overcast and cold on those days, and freezing at night because of the reduction in electricity, so that little could be seen of the Olympian glow that is still said to illuminate this city and its residents. This reduction in electricity was evidence of how much many divisions in Yugoslavia have gone too far, even in those economic and technical systems which are after all indivisible in other countries -- energy, for example.

Two days before this discussion, the Social Accounting Service of Yugoslavia published the fact that only 0.29 percent of investment funds crossed republic and provincial borders.

In spite of the large number of economic facts presented in this discussion, our impression is that it was more ideological than economic. Not by chance: we seem to be living in a time of total ideology. Not only the basis of industrial production was ideologized, but also the rain that fell in Sarajevo on the second day of the discussion, since it indicated that the reduction in electricity might end and thus contribute to rectifying many divisions.

When the Institute for the Study of National Relations of the Central Committee of the League of Communists of Bosnia-Hercegovina, which hosted this discussion, publishes all of the proceedings, everyone will then be able to convince himself that the ideological divisions that occurred in this discussion are in fact the same divisions that occur when discussions are started about changes in the economic and political systems.

Nation and State

Most of the misunderstandings and disagreements occurred after the statement by Dr Hasan Hadziomerovic, who said that the very concept of national economies elicits psychological reactions to nationalism, "but if one bears in mind all the positive values of the nation, then it should be used boldly," since "the republics and provinces arose as a historical form of the solution of national issues." In spite of the principle that every national economy has its own account, Hadziomerovic continued, a national economy does not have to be closed, and it does not have to be against rational systems: "The state as an institution is one thing, and the nation is something else. The nation remains if the state fades away. Under our conditions the republic reality is taken from national reality."

In response to a question from Dr Franc Cerne, "Then how was Bosnia-Hercegovina created in accordance with national composition?" Hadziomerovic replied, "There were reasons when one state was formed in that region, since historically three peoples have lived in that region."

For Dr Stjepan Lovrenovic -- who was not the only one at this discussion to defend this thesis-- it is more correct to speak of the economies of the republics in the economic system of Yugoslavia, than of national economies: "The republic economies are not anything new; they were even provided for in the 1946 Constitution, but their autonomy, especially in the area of the economy, has been hindered by the centralistic functioning of the federation. The sovereignty of the republics would be merely in name only without economic sovereignty."

For Dr Dusan Icevic, Yugoslavia is a "conditional federation," and "the national economies are maintained by the state ownership of national capital," while the existence of separate republic monetary-credit systems, and even republic anti-inflation programs, is viewed by Dr Ksente Bogoev as proof of the nonexistence of a unified Yugoslav market in this country.

"It does not matter to the working class whether it will be hired by a capitalist, the state, or a political-bureaucratic authority," said Dr Zivko Surculija.

For Dr Zoran Pjanic, the rector of the University of Belgrade, who delivered the opening speech in Sarajevo, there is no dilemma: "Either national economies exist, and then the view is valid that there is exploitation of one nation by another, the less developed by the more developed, which is after all our official position with respect to the international economic order, or we are a unified economic region in which republics (and provinces) exist on the political level, which means that regional problems become stronger, but they do not exceed their normal bounds."

On the Exploitation of the Nation

According to Pjanic, after the 1974 constitutional amendments that provided two principles, the sovereignty of the republics and the unified Yugoslav market, the possibility of a conflict between these two principles was left aside. Since that time the term "national economies" has been used, but it cannot be adequate for Yugoslav reality, "since only one republic is nationally homogeneous, in four one can identify a majority presence of one of the peoples, and in the last one, the sixth, it is not even possible to do that."

If one examines the main economic trends in Yugoslavia over the last 10 years, Pjanic says, because of the suppression of the commodity economy and the condemnation of the market method of association as a remnant of something old and obsolete, and because of the unsuccessful attempt to resolve the pluralism of self-managing interests through a universal system of consultation and agreement, room has been cleared for the emergence of etatism, especially republic and provincial etatism, and the use of the term "national economies" represents an aggressive attempt to defend republic and provincial etatism, which is based on weak theoretical foundations and is not successful in concealing its nature: "In many respects the situation in Yugoslavia resembles a common market, while the remains of the unified market make possible persistent transfers between regions that are not based solely upon greater productivity, but rather upon a monopolistic position, and many other things."

And it is precisely the fact that out of the entire Stabilization Program only one part has been implemented, the realistic valuation of money through interest rates and the realistic valuation of the dinar through the exchange rate, Pjanic says, that has led to a transfer of income to the republics that had more social capital in monetary form and more foreign exchange.

Another method that allows a transfer of income to the developed republics is price disparities, and thus also disparities in wages: "Since this unequal distribution of personal incomes also has territorial characteristics, it becomes clear why some areas have offered such strong resistance to the idea originating from the highest political bodies, concerning recognition of the duality in the position of working people in self-managing socialism, as a result of which their personal incomes should have two sources: one that is measured by their contribution as producers, and that cannot have any other definition except that the same income is obtained for work that is equal in quantity and quality, and another that is derived from their role as decision-makers in the economy, as those who replaced the capitalists, and that is measured according to success in preserving and increasing social capital. The application of this idea would certainly lead to a redistribution between industries and territories, but the results at the level of the entire country would be positive."

Does a Serbian National Economy Exist?

Dr Zoran Popov said in Sarajevo that the problem of the unified market does not exist, and is not explained, in any foreign economic literature, much less terms like "strengthening the unity of the market" or "disrupting the unity of the market." This concept appeared for the first time in Yugoslavia in the 1974 Constitution, but before then the unified market was implied.

Popov explicitly asserted that the economic sovereignty of the republics cannot be reconciled with the unified market.

If national economies exist, Dr Ljubomir Madzar said, then one must raise the following question: what is the national economy of the Serbs, if one knows that they live in Serbia, Vojvodina, Croatia, Bosnia-Hercegovina, Montenegro, and Kosovo?

From the most superficial angle, Madzar claims, it appears that the republics and provinces behave similarly in implementing economic policy, regardless of the degree of national homogeneity, and attempt in the same way to protect their own economic interests: "Nationally heterogeneous communities, like Vojvodina and Bosnia-Hercegovina, behave like the nationally homogeneous communities. The Serbs and Hungarians in Vojvodina act in a united manner, while the membership in the same nation of Serbs from Vojvodina and Serbs from Serbia is no obstacle at all to their taking fundamentally different positions on major issues. It appears from this that the behavior of the republics and provinces is not determined by nationality, but rather by economic-systemic solutions."

In spite of the great differences in development and the interests derived from this, Madzar claimed, it can be said that workers, peasants, and part of the intelligentsia are not interested in divisions in the country. The ones most interested in divisions are the so-called political vanguard, which has been joined by part of the intelligentsia, namely the part that, like the political vanguard, viewed division as a chance for its own social advancement. This is the reason for so many educational, cultural, scientific, and other institutions: "The role played by the political vanguard in the divisions is very important, since the social standard of living in the individual parts of the country depends, among other things, upon the extent to which the political vanguard fights for corresponding growth -- to a considerable extent at the expense of others. Since it is divided in accordance with the logic of republic and provincial borders, the political vanguard has to a certain extent divided the people themselves."

How Much Do the National Economies Cost?

Dr Risto Vukcevic, speaking about the divisions, emphasized that a rational process of production cannot exist within the framework of one country, no matter how large and well-developed, and Dr Dragoje Zarkovic commented that the national economies, after the foreign and domestic debts, are the country's greatest problem, costing about $2.5 billion each year, i.e. approximately as much as the annual interest on foreign credits.

In response to a question about why there are national economies in Yugoslavia, Zarkovic said, "The Federation, in the period until 1971 or 1974, did not create equal conditions for doing business -- earning and distributing income. Some industries were privileged in many respects, and others were in a very unfavorable position. In our complex conditions, this had to have a territorial and national dimension. The differences in the degree of development of individual republics began to be intensified, and this led to the disillusionment of those who were affected, and even to an increasingly greater dissatisfaction with the federation."

Zarkovic concluded his statement as follows: "Are we in the position of the sorceror's apprentice who knew how to let the devil out of the bottle, but not how to put it back inside?"

There were assertions at this discussion that everything that had happened was a consequence of the "low awareness and insufficient knowledge of our people, and so the centers decided without them." Such assertions are in fact an alibi for the mistakes of all the centers of economic and political power.

[Boxed article by Kiro Gligorov: "Predominance of the State"]

[Text] When one discusses the problem of "national economies," the following items determine their nature under our conditions.

a) the commodity nature of our economy,

b) the arbitrary determination that economic relations take place in a unified Yugoslav market,

c) the inevitability of an increasingly more rapid participation in the world market, which is still stressing the third technological revolution as a condition for the progress of each economy,

d) the earning and control of the real product is the right of numerous economic subjects, based on market verification of the results achieved. In accordance with this, economic equality should be reflected above all in the fact that the economic subjects are the ones who should be the main factors in this process. The rights and duties of all sociopolitical communities are derived from this, and they affect the smaller portion of the social product that is intended for general and community needs. This applies to both republics and provinces. Their rights to guide the economy in a unified market contain measures of economic, social, and development policy, if these measures are not under the jurisdiction of the federation (general business conditions). Everything else is in the sphere of the full free association of economic subjects in the unified market, on the basis of "market justice" and the solidarity of the working class in regard to correction of the consequences of the market that are not in accordance with the nature of the socialist self-managing system.

Thus, there can be no usurpation of income and the surplus of labor by the nation, and if there were no mixed composition in all the republics and provinces, this could not even be done by the republic state in the name of the "nation."

When this is mentioned and one has insight into this, one can demystify the concept of the national economy, and the concern of the nation or its state for controlling the surplus of labor and ensuring the economic equality of all federal units, i.e. all peoples and nationalities. This concept can be reduced to the natural interest of each sociopolitical community in ensuring as successful as possible a development of the economy on its territory, through methods and means of an economic nature, while taking into account the fact that the main economic subjects are the factors who should control the income earned in their own best interest, and this, it will say, is also in the best interest of their narrow social community and of the entire Yugoslav community.

Any other treatment of national economies throws open the door to etatism, the expropriation of economic subjects and self-managers, with voluntarism becoming the main means of regulating economic flows. Relations among economic subjects lose their economic and market nature, while national interests are used to conceal an etatist encroachment upon workers' incomes and the surplus of labor. There is only a small step from this to a call for everyone to stand behind the "national interest," as it is seen by the bureaucratic and etatist structures, and to oppose other such "national interests." This has been frequent in practice.

9909
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DELETERIOUS EFFECTS OF INVESTMENT IN STOCKPILING NOTED

Belgrade NEDELJNE INFORMATIVNE NOVINE in Serbo-Croatian 17 Nov 85 pp 18-20

[Article by Branko Colanovic: "Misuse of 'Monetary Illusion'"]

[Text] How do stock reserves wreck the standard of living? A restrictive policy could yield results only under the condition that a larger number of workers lose their jobs. And that is not possible in our country.

Investments in working capital have become greater than investments in fixed capital. As things progress, the economy will suffocate under the weight of stock reserves.

The disproportionately high level of working capital is proof of a profound breakdown in the structure of economic forces. The objectively large amount of unnecessary stock reserves contributes to low production. The consequences for the country's financial balance are quite serious; the balance of payments suffers and inflation is sustained.

If they have grown exorbitantly, all forms of working capital are equally undesirable. Assuming that purchasing departments anticipate accurately, excessive stock of raw materials or semi-finished products is a consequence of the unsettled state of the domestic economy, the unreliability of cooperative ties, disorderly imports, etc. The excessive level of uncompleted production has the same cause, although its roots may be in the weaknesses of the organizational and technical guidance of production. The overfilled warehouses of finished goods are a consequence of weakness in planning and commercial services, of the poor quality of the product, of high selling prices and other things, but here as well the failure of economic policy, its inability to bring together in a well-organized operation all the factors that determine the speed of working capital, has a considerable influence. In short, to the extent to which the actions of the internal economy of enterprises do not rest with high-quality manpower, and if economic policy is wrong, the paralysis of working capital is inevitable.

During the five-year planning period that comes to an end this year, the share of economic investments in fixed capital in the realized social product continually fell while the share of investments in working capital rose steadily. This variance has developed into a paradox.

Table. 1

Year	Fixed Capital	Working Capital
1980	24.3	10.0
1981	21.5	13.3
1982	20.2	13.1
1983	16.4	14.3
1984	16.1	14.5
1985 (estimate)	14.5	15.5

It can be estimated conditionally that a share in the social product of about 25 percent for investments in fixed capital of the economy corresponds approximately to what is necessary in our current stage of development. In this sense, 1980 satisfied the criteria. However, the period that followed must, from the point of view of an appropriate policy of development, be considered entirely unacceptable.

In 1980, investments in fixed capital of the economy were nearly 2.5 times higher than those in working capital. In 1985, fixed investments will be almost seven percent less than those in working capital!

Portrait of a Five-Year Period

Assuming that the quality of manpower in the economy is not worse at present than it was 5 years ago and that the potential performance of the internal economy of enterprises is not lower, it must be concluded that the causes of stagnation in such a large part of the country's social product, in the form of unproductive working capital, lie in the inappropriate development of the economic system and in errors in economic policy.

A portrait of the five-year period from 1981 through 1985 with respect to the evolution of the social product and its distribution is as follows: social product stagnates because its average annual rate of growth is only 0.8 percent, which is the rate at which the population increased; investments in fixed capital in the social product drop in absolute terms from year to year, since they amount to some 930 billion dinars in 1980 but only 550 billion in 1985 (at 1983 prices). All other aspects of consumption fall sharply; only investments in working capital climbed by leaps and bounds; the net amount of foreign exchange of goods and services adds about 8.4 percent to the country's 1980 social product, and about 5.4 percent in 1985; thus, the available resources for consumption this year are about 9.5 percent less than in 1980.

Changes in the use of the (stagnated) social product can be seen more clearly in this table, which shows individual aspects of consumption in the social product (in percentages):

Table 2.

Category	1980	1985
Personal consumption	53.2	48.3
General consumption	5.2	4.8
Communal consumption	3.9	3.8
Fixed investments in economy	24.3	14.5
Working investments in economy	10.0	15.5
Non-economic investments	9.4	5.8
Statistical error	2.4	1.9
All consumption	108.4	94.6
Foreign trade balance	8.4	-5.4

One of the critical data in this table relates to the foreign trade balance of goods and services. The sum total of trade noted in this table in 1985 compared to 1980 amounts to 13.8 percent of the social product. In simple terms, this means that compared to 1980, we have, in relative terms, that much less available capital for consumption this year.

Question: In the absence of these resources, what aspects of consumption has economic policy curtailed?

Thesis: It has had to cut domestic consumption, but not to the extent that it has in fact been done; the share of personal consumption in the social product in 1985 is less than that of 1980 by 4.5 "index points," while the share of investments in working capital is larger by 5.5 "points"; non-productive resources have swallowed that amount lost by personal consumption.

Let us look at this trend in the light of actual figures.

In 1980, available resources for consumption amounted to 4.375 trillion dinars (1983 prices), to which the domestic social product contributed 4.039 trillion and the balance of foreign trade 336 billion. In 1985 (estimated, at the same prices), the social product is 4.195 trillion, but the available resources for consumption are only 3.968 trillion, since the foreign trade balance, amounting to 227 billion, appears as a debit, as a result of foreign debt repayment obligations. The reduction in general consumption, communal consumption, fixed economic investments, non-economic investments and "statistical error" (!) adds up to 533 billion dinars, thus nearly the same amount as the lagging "contribution" of the foreign trade balance in goods and services (563 billion).

In contrast to all this, investments in working capital are larger in 1985 than in 1980, by 248 billion dinars, absorbing four-fifths of the increase in social product and the entire absolute drop in personal consumption as noted above, amounting to 122 billion dinars.

This is perhaps difficult to understand, or when it becomes clear it is very unpleasant.

The increase in working capital (stock reserves) has not been of use to anyone. If the coefficient of working capital in the Yugoslav economy was already unsatisfactory in 1980, it was inadmissibly worse in 1984 and 1985. Over the course of 5 years, as we have said, real social product increased at an average rate of 0.8 percent, while investments in working capital rose at a rate of more than 11 percent.

Let us for the moment set aside the unquestionable truth that we have had, in the available factors of production--including the country's objective foreign exchange potential--at our disposal all the materials and human conditions necessary in order for social product not to stagnate. Had we known how to, or been in a situation to take advantage of these conditions, the growth in social product would have had to be sufficient to neutralize the unfavorable effect of the altered foreign trade balance in goods and services and to make a large part of the sacrifices and self-denial in the area of consumption unnecessary. However, we will raise a question here: why have we arrived at such an unnatural expansion in working capital and are we aware of the extent to which this giant tumor is dangerous to the body of the economy?

Erroneous Strategy

Institutional causes are, at least chronologically, first in line. To the extent to which the so-called national economies of the republics and provinces have finally taken shape as isolated units, thanks to the constitutional changes and the well-known "system laws," with obvious aspirations towards autocracy, it had to become clear that the market cannot be united to the necessary degree. Its crisscross pattern, the subordination to republican and provincial authorities with respect to prices and personal income, import rights, commodity reserves, the covering of losses, bank capital, the utilization of foreign capital, etc. in itself had to lead the greater creation of stock reserves, in view of the nonconvertibility of the dinar. As a consequence of this, it was necessary to pay a heavy price, either with respect to personal consumption or to the competitive abilities of the Yugoslav economy in international affairs.

However, the current economic policy has caused this price to be even greater. Its distinctly restrictive character, which is in fact an erroneous anti-inflationary strategy, is leading investments in working capital towards hypertrophy.

The remedy for the rapid rise in inflation in the period from 1979 to 1982, as well as for the increasing difficulties in the balance of payments, was sought in the limitation of all forms of domestic consumption, along with a reversal towards the export trade. Unfortunately, this medicine turned out to be inappropriate for Yugoslav circumstances. It was not difficult to achieve a reduction in domestic consumption, but for that reason the social product fell into stagnation, exports were diminished, and inflation rose.

Unacceptable Way

The restrictive economic policy began several years before the famous action by the International Monetary Fund, which was linked to the organized, international deferment of Yugoslav debts. Compared to 1980, 1981 saw a reduction in personal, general and communal consumption, as well as in non-economic investments and in economic investments in fixed capital. The only increase was in investments in working capital! And this was repeated for the most part between 1981 and 1982! During 1983, the International Monetary Fund appeared on the scene. Before that, we had already seen how strongly the cut in imports contributes to the deadening of growth in social product, and in this way to an absolute fall in exports.

All these drastic turnarounds turned out to be detrimental to the normal functioning of the economy. The economy's links with material and energy supplies, either from domestic sources or from imports, its cooperative ties, its collaboration in the marketing of exports, etc. were thrown into disorder or even discontinued entirely.

The restrictive economic policy might have had some positive results if its program had allowed for the widespread firing of workers. Fortunately, a way such as this is unacceptable to us.

Indeed, for understandable socio-political reasons, new employment has continually progressed with great intensity. In the period from 1981 to 1985, employment in the social economy grew at an average rate of 2.4 percent, three times higher than the social product. It is true that it might have been better to turn to the development of agriculture, including on an individual level, as well as to the development of the small economy, where it would have been possible to bring about significant new production and employment, but that is beside the point here.

The controversial trend whereby personal consumption, as the driving force in the distribution of social product, is continually falling, both in relative and absolute terms, and whereby the number of those employed in the social sector is steadily and appreciably on the rise, has led to substantial changes in the situation of both the working man and the citizen.

Although the number of inhabitants, employees and pensioners is rising, all forms of income by the population are for the most part falling in absolute terms. This can be seen from the following table depicting figures in billions of dinars, according to 1983 prices:

Table 3.

Net personal income, etc. in the social sector	1,487	1,310
Pensions, disability, etc.	414	340
Personal income in the private sector	217	199
Funds from communal consumption and credits	174	93
Income from abroad	318	271
Natural consumption	195	206
Other income of the population	99	428
Total income of the population	2,904	2,848

If there had not been enormous growth in "other" income, in which the primary jump was due to revenues from interest on savings and to variations in the exchange rate, it would have been difficult to conceive of a balance in the income of the population. Indeed, this "other" income practically made up for the entire real drop in those forms of income of the population that were subject to the restrictive economic policy; namely, personal income, pensions, disability and funds from communal consumption and credits. However, there are two serious distortions present in this. First, the growth in income from interest and variations in the exchange rate was paid to the population by the economy. Secondly, this income fell to the holders of savings accounts and of foreign currency reserves, sustaining a serious degree of social disintegration.

Naturally, it appears that employees, pensioners and other citizens should request compensation for such a substantial drop in their real income from normal sources. If, for example, the average employee in the social sector of the Yugoslav economy has in 1985 had 25 percent less real personal income than in 1980, he will certainly be deemed eligible for any possible compensation. He will apply for it first of all in his own property, diminishing interest, which has been falling in real terms for several years, or subsisting from housing investments, non-productive services and the like, where we also see a drop in 1985 compared to, say, the three year period from 1980 through 1982. But he will similarly endeavor to actualize a second, "special" compensation, either by curtailing his work hours in order to work on his farm or in unregistered trades, or by renting out a room to foreigners or dealing illegally in acquired foreign currency, etc.

But if, amidst a stagnating social product, all this does not offer possibilities for compensating for the drop in real personal income, there remains yet another way out, even if it is of a transient nature. Under the weight of socio-political circumstances, it will seem opportune for real personal income to increase through the rapid, universal raising of nominal values. The results of profitable business, a turnaround in income, productivity, etc. can be realized on the side!

We are observing just such a phenomenon in the middle of this year. The following table indicates the index of real, net personal income per worker:

Table 4.

Region	January-June 1985 compared to January-June 1984	June 1985 compared to June 1984
Yugoslavia	98.1	101.4
Bosnia-Herzegovina	98.2	100.8
Montenegro	99.7	97.0
Croatia	96.8	97.8
Macedonia	93.4	93.4
Slovenia	104.2	110.8
Serbia total	97.3	101.3
Serbia proper	98.7	103.1

Kosovo	99.2	102.1
Vojvodina	93.5	96.6

The phenomenon gains in proportion. If the period from January through June of this year is compared to the same period last year, only in Slovenia is real, net personal income per employee greater than last year, and there it is very substantial. But comparing June to June reveals that other areas are included in the same "process": Serbia proper, Kosovo and Bosnia-Herzegovina, while Slovenia registers growth of as much as 10.8 percent.

In this way, the restrictive economic policy becomes its own opposite. The reduction of "all forms of consumption" and imports has curtailed production and exports, but raised production costs. Severed trade connections have led to an unnecessary increase in stock reserves. The small amount of remaining space for personal consumption leads ultimately to a disproportionate growth in personal income.

Will the transfer of inflation from one republic or province to another continue? Will we eventually be left with the fact that, through the misuse of the "monetary illusion," we accept inflation as the only way to prevent dangerous socio-political crises?

Outlines of the new plans, for 1986 and for the new five-year period, foresee an abandonment of the policy of stagnating social product. But if these plans are just wishes, then we have already had them before. In order to bring about a shift in trends, towards rapid growth in production and productivity, it will in the end be necessary to change a great deal in both the economic system and economic policy. Or perhaps also in those parts of the political system that serve as a prerequisite for the vigorous economic course that we need so much.

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BERISLAV SEFER DISCUSSES STANDARD OF LIVING CRISIS

Zagreb DANAS in Serbo-Croatian 19 Nov 85 pp 11-14

[Interview with Berislav Sefer, chairman of the Yugoslav Conference on Social Activities, by Djuro Zagorac: "Differences Without Limits"; date and place not specified]

[Text] [Question] Comrade Sefer, you were a vice president of the Federal Executive Council, and you are now a delegate in the SFRY Assembly, but you have never left the field of social policy: you are one of the few professors of "social welfare" in our country, and you are the chairman of the Yugoslav Conference on Social Activities. How do we stand, and what can we hope for in regard to social welfare?

[Answer] The standard of living as a whole, according to all of its indicators, is already declining for the sixth year in a row. The largest and most serious decline is in the real earnings of workers. They have been reduced by 30 to 40 percent; I would even say closer to 40 than to 30 percent. Furthermore, let me say that real earnings have declined more rapidly in social activities than in the economy. Although the joint needs have been revised, what we call the social standard of living, the share of education, health, culture, and science in the national income is now exceptionally low, and has reached the lower limit in all of its parameters. Today, we are allocating from 4 to 4.5 percent of the social product for education, and approximately the same for health care, and that is on the scale of the lower limit for Europe. Social activities have also been greatly impoverished, which has impacted heavily upon the quality of services, and this also affects the standard of living. Next, there is housing construction, the stagnation of which began much earlier; this stagnation is continuing, and as a social phenomenon, it is very serious. We speak of housing construction as an investment, but in fact this is a question of our not being able to break through the production barrier of 6 apartments per 1000 inhabitants. And until we are producing between 10 and 12, we will have a housing crisis. When we speak of the social side of housing construction, we should talk much more about the problems of the production of apartments, instead of constantly talking mumbo-jumbo about housing systems, as if the system should solve the problem of Yugoslav unproductivity or as if the foreign exchange system should solve the problem of the Yugoslav economy's ability to compete.

The decline in the standard of living is also being manifested in numerous other indicators, among which the growth of unemployment is certainly the most pronounced. The decline in the standard of living has also fundamentally reduced buying power, and thus also the extent of the satisfaction of people's general needs.

[Question] It is clear that the decline in the standard of living has a direct effect upon the social situation. What is going on with all of this, and what is shown by the research that the experts of the Institute for Market Research in Zagreb conducted for your Conference?

[Answer] The extent of the satisfaction of needs should not be viewed just as a phenomenon of living better or worse, but also as a phenomenon related to the very possibility of subsistence, especially for individuals and families. It is obvious that part of the population has reached a low, minimum level of the standard of living. One fact is very indicative -- more than 50 percent of the families in Yugoslavia are spending 43 percent of their total incomes on food, whereas if living conditions and the standard of living are well-developed this normally amounts to 20-25 percent.

[Question] What are the earnings of those surveyed like? Can those who are employed cover their current needs?

[Answer] Three years ago, 44 percent of the people felt that their incomes were enough to satisfy their needs. This year, however, only 5 percent think that their incomes are sufficient. And 19 percent claim that their incomes are absolutely insufficient. Between those with sufficient and insufficient incomes, 76 percent feel that their incomes are to some extent sufficient to satisfy their current needs. The sufficient and insufficient ones here are a negative indication, and accordingly, 95 percent of the households cannot satisfy their current needs with their current incomes.

[Question] What do those surveyed say about personal incomes? Are they encouraging them to work more and better? Are we becoming accustomed to economizing and increasing efficiency in family spending as well?

[Answer] Inflation is a source of extremely great social problems; on this scale it becomes tragically destructive. The first thing that inflation leads to is uncertainty in earnings. A man can work and slave like a horse, and then the money that he has brought home today is no longer worth as much as it was yesterday, since in the meantime something has become more expensive. And this ruins people's attitude toward work.

As for whether personal incomes encourage people to work, 21 percent answered that they did not encourage them enough, and 41 percent that they did not encourage them at all, since their earnings were not a result of work. Accordingly, a negative indication is given here by a total of 62 percent of the people.

The survey showed that the population is being affected in the first place by food prices, and in the second place by the cost of electricity; clothing and footwear are in third place, and only then comes gasoline. But there is also rent, which is a social matter. And under such conditions, what do people do? Naturally, they have to economize.

They economize most on heating and light, and then on clothing and footwear. As a national average, however, as much as 30 percent of the population has answered that they are cutting back on food (and even 66 percent in Macedonia).

[Question] They say that in the crisis the skilled and valuable people are distinguishing themselves, and increasing their standard of living, but more than this, enlarging their property holdings, "becoming billionaires." Could you tell us how many "billionaires" we have, and who they are?

[Answer] The social differences are so great today, and so much is said and repeated about this, that one no longer has any desire to talk about this. It is a disturbing fact for society that we cannot say who the richest man in Yugoslavia is. In any well organized country, it is known who is richest and who belongs economically to the top stratum. They thus have a mechanism for measuring this wealth, but also for controlling it. But since we do not know this, we are free to say that there are 5,000 of them, but we can likewise say that there are 10,000 of them. We can say whatever we want. I think that this is a real area for social conflicts, but also social manipulations, and both are dangerous to society.

[Question] We see that many people are cutting back on food, and that the crisis is clearly evident. In these circumstances, two aspirations are appearing: to increase the differences in earnings, and even more bitterly, to reduce them. What do those surveyed say?

[Answer] Most people think that the social differences in our country are large, and that they are becoming immeasurably large. In 1961, 38 percent of the Yugoslavs felt that social differences were large, and in 1964 64 percent thought so. As the largest factor in creating social differences, people cite the Law on Prohibited Earnings, what we call acquiring income in a nonsocialist way.

As another factor in excessive social differences, people cite high personal incomes. Thus, under conditions in which objective analyses show that there is a trend toward a balancing in the area of real earnings, even these ranges are beginning to bother people, and this should be seriously taken into consideration.

[Question] There are more and more examples of people not being able to meet their most basic needs, and not being able to pay their current obligations. Is there any optimism, at least, that it will be better tomorrow?

[Answer] We already have the occurrence of poverty and a minimal existence among people who are working. This is no longer any sort of pose; there are people, especially in the cities, who are not able under normal conditions to support their families, and this means that they cannot even pay for rent, electricity, and heat. Someone who lives in the city today and is unskilled, and lives solely on these earnings, cannot maintain the obligations for residence as they have been formulated, for example, in Novi Beograd, Novi Zagreb...

We built our cities for those who came to get an apartment even before they were in the city; we built for a high housing standard. And now, when personal incomes have reached a level more realistic than the one we once had, we are now faced with the problem that all of us together are having a hard time maintaining these economic criteria.

And how are people viewing the future? There is strongly pronounced pessimism. While in 1977, for example, 15 percent of the people in Yugoslavia predicted that their lives would be worse the next year, in 1984, that percentage of pessimists reached 63 percent in comparison with 1977. This pessimism is particularly associated with nonagricultural households, and thus with the working urban population, where expectations that their lives will be worse are even reaching 75 percent. It is my profound conviction that this is an indicator that should be believed, and that should be taken into account in measuring attitudes and in measuring the social situation.

[Question] What do those surveyed say about what they would be satisfied with in the next few crisis years?

[Answer] About 57 percent of the people think that their incomes should be up to 50 percent higher, so that then they could live somehow. About 9 percent of them are seeking incomes 50-75 percent higher; 16 percent of those surveyed are seeking incomes 100 percent higher, and 76 percent, more than that. If inflation is 80 percent, then it is clear that people have reconciled themselves to the present situation of survival, and that the extent of their aspirations at this moment is no more than having their incomes keep pace with inflation. And this again should be analyzed in particular, since if our aspirations as consumers begin to be satisfied if we remain where we are, then this is a very negative phenomenon.

[Question] When the crisis began, the predictions then were not as black as the reality we have experienced. What disrupted all of this, and what, in your opinion, are the main causes of the drastic decline in the standard of living and the increasingly more uncertain society security?

[Answer] The Long-Term Economic Stabilization Program, three years ago, assumed that a decline in the standard of living had to take place. The decline thus did not come as a disaster and a surprise. There were three reasons: the foreign debts and interest that had come due, the extremely high devaluation and the need for us to export more for the same unit of imports, and the fact that citizens' foreign exchange earnings abroad were no longer even close to being an abundant source. That was the objective reality.

The real decline in the standard of living, especially the decline in real personal incomes, was, however, far more intensive than one could have even thought and than was expected in any calculations. And no one could have expected such a long period of time, and no one did. And the worse thing, and the most disturbing, is that it is still not apparent that the unfavorable situation has been stopped.

[Question] Where was the mistake made, and by whom? Did we have to get into this situation?

[Answer] The extent of the disruption that we are carrying from the past is probably larger than was estimated. I personally think that the main cause, the main source of our problems, is an economic system that is not effective enough, that simply fostered and developed a very large number of investments. And if one looks at it a little more closely, it could be said that the main motive for development was investment. Unfortunately, such large investments were inefficient in terms of both income and foreign exchange, while millions of people moved from the villages to the cities, coming with the ambition of living better. These social changes created a large purchasing force that such investments were not able to support. I think that this element was underestimated even in the Long-Term Economic Stabilization Program.

I am deeply convinced that the present situation in the economy and social structure, i.e. in the standard of living as well, cannot be ascribed solely to these objective facts and circumstances. I think that current economic policy contributed a great deal to this situation, and that it is still doing so. In view of the situation in the economy and society, the Long-Term Economic Stabilization Program proceeded from the fact that it was necessary to carry out a certain number of one-time measures in a synchronized manner, and it warned that unsynchronized implementation could cause even more unfavorable consequences. That is written in the program. If anyone does not believe this, he should read it. But the actual tactic in implementing the stabilization program was measure by measure, drawn out over a period of time, not continuous, and often mutually inconsistent.

[Question] Many people say that we did not have realistic economic figures, starting with the inflated income. This is the reason for the motto of the current policy -- restriction of consumption. How objective is all this?

[Answer] The Long-Term Program was clear in the part about what would necessarily have to be restricted, but it was also clear in stating that this period should be shortened as much as possible and that the emphasis should be shifted to encouraging economizing and overcoming problems, and not through restricting consumption. And that has had an unfavorable effect as a tactic, as an approach to policy. That orientation was bad, unjustified, and unfactual.

Now people say that we did not have a real income, i.e. that we consumed the amortization. They cite several factors indicating that we did not have realistic economic figures that were the parameters for consumption. They cite the estimate that we lost $15 billion in unreal amortization. One can even agree with all this, but I must say that at the same time, in personal consumption, $60 billion in foreign funds, that were in this fund for personal consumption that we measure according to the nonsocial product, went into the pockets of the citizens. According to this, the citizens got four times more from abroad than the amortization that we consumed in the national income. Consequently, the question is which consumption was inflated by the unrealistic national income?

[Question] Is the answer known?

[Answer] I do not know the theoretical analyses and parameters and I have not heard of anyone doing them, ones that would objectivize the relationships of capital formation and consumption, and investments and consumption. I can present only two facts: when the problems began to occur, in 1980, Yugoslavia was in 30th place among 125 countries in terms of social product. In investments it was then in 5th place, and in general consumption, which we say was very high, it was in 30th place, i.e. in the same place as for income. But in terms of the rate of personal consumption we were only 102nd place. Among 66 oil importing countries Yugoslavia was then in 10th place in terms of social product, in 6th place in terms of investments, and in 12th place in terms of general consumption.

If someone spent too much, then it was the investments, which were beyond any realistic material capabilities, which even in the circumstances of relatively favorable living conditions depressed consumption and the standard of living and allowed consumption to increase more or less by the same extent as social changes occurred and buying power increased, and by the same extent as buying power abroad, but that of citizens, not the one for which we went into debt.

[Question] The realistic interest rate and realistic foreign exchange rate decided upon by the Long-Term Economic Stabilization Program have divided both economists and politicians. Who is right?

[Answer] The Long-Term Economic Stabilization Program was clear, and in regard to both interest rates and the exchange rate, there is no dispute about the need for them to be realistic. What is disputed is the way in which this has been applied.

Under conditions in which the economy was overindebted, and did not have any resources of its own, and under conditions in which inflation had already reached 30-40 percent, it is completely clear that interest was acting as a new input generating inflation. The road to realistic interest rates was the road to financial consolidation: rescheduling, several synchronized actions, and more moderate inflation in which this could be maintained.

The program clearly states that one should treat as a realistic exchange rate the difference between domestic and world inflation, or inflation in which we are primarily exporters, but no more than this.

It can be seen from many circumstances that these two elements have more or less independently become the framework of current economic policy, but it cannot be said that this was good and in the spirit of the economic stabilization program.

[Question] You are completely leaving out the external factor, our obligations to our creditors and the IMF?

[Answer] I have already said that we had to aim at appropriate restrictions in the area of consumption. International circumstances -- the suggestion of tightening one's belt in order to send profits to those who loaned the capital and who shifted the entire risk to those who were the main users of this capital -- only strengthened this domestic orientation. This orientation lasted too long, and I even think that a conceptual approach to development is being created which is continually offering slower growth in joint consumption than in the social product, slower this, slower that. There is no such economic-reproduction law, except that we projected such a development policy and carried it out.

[Question] We know how things are for us. Tell us what we should do in order to improve things, to halt the crisis.

[Answer] No one has offered a better prescription than the Long-Term Economic Stabilization Program. It is still valid, but today it has to be adjusted to real relations. If we simply transferred everything done previously to a quite different situation, we would be making a mistake again. The step by step policy has never yielded results, and it has even stimulated the difficulties that we have. The argument used in defense of this tactic -- that the blow to the standard of living would be too great if all the measures were applied at once -- did not prove to be valid. During the period to date the blow was great, and we lost a great deal of time, without hitting the right target.

The main and central question today is whether we will get moving in the struggle against inflation, in the struggle for some kind of dignity for the dinar. In my opinion, this one-time act, which was advocated by the Long-Term Program as a momentary change in these relations, is inevitable. Appropriate price relations would have to be established, since this approach of changing things bit by bit, with the determination that all prices will increase, and that price parities will improve in this growth, only stimulates prices to run wild, the inflation that is of least benefit, for instance, to energy and agriculture.

We should thus start with one level and parity of prices, economically justified, and which we can maintain at this time, and one balanced exchange rate for the dinar. This should also be followed by a redistribution which would improve the relative position of the economy and inter-branch relations. These initial things, which should be done along with the financial consolidation measures, would offer a realistic basis for us to be able to do something at last. Another direction would be systemic changes, which would lead to a better general situation, and which could then provide better economic results. Only then could we take strategic steps in development policy, and the 5-year plan would select the goals but also the means to achieve them.

[Question] Surveys of the population in our country are not continuous; not much significance is ascribed to them, and few decisions are made on the basis of the views and attitudes of the population in the broadest sense. How reliable is this research on social position?

[Answer] I think that one should not believe people's answers 100 percent; each of us determines how he perceives and experiences his subjective situation. But one should also not ignore this information, which is vital for policy.

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ECONOMIST BAJT DISCUSSES MISCONCEPTIONS ABOUT INFLATION

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 16 Dec 85 pp 25-27

[Article by Aleksander Bajt: "Why Not 0 Percent"]

[Text] Recently, the idea that inflation would be reduced most quickly and thoroughly by reducing interest rates has been disseminated more and more widely again. According to some articles, the rate of inflation could be reduced by one half in 1986 by cutting the present interest rates in half. In practice, this would be achieved by projecting inflation to be half of what it currently is, and tying interest rates to the projected inflation; this, with the assistance of direct price controls during the first half of the year, would make it possible to keep inflation at the rate thus cut in half during the second half of the year as well.

This is pure nonsense, a consequence of ignorance of the ABC's of political economy, either Marxist or bourgeois -- it is all the same. More precisely, it has to do with being incapable of even the simplest logical thought and deduction. In this article, I will show that a negative interest rate, especially an increase in it, not only does not reduce inflation, but also inevitably increases it. In fact, the negative interest rates after 1981 are mainly responsible for the inflation, and along with it, the general inefficiency of our economy, together with all of the consequences, such as the rarity of financing one's own investments, the great dependence of the economy upon the banks, the negligible pooling of funds, and the low mobility of capital in general. Planning a reduction of interest rates in 1986, i.e. an increase in their real negativeness, can be directly equated to planning greater inflation and an even less efficient economy.

To start with, here are one question and one fact, both of which illustrate the thesis of an incapability of the most elementary thinking. The question is as follows: if inflation is cut in half by cutting interest rates in half, why wouldn't it be completely eliminated from our economy by reducing interest rates to 0 percent in the same way? Why do the authors of the salutary medicine stop halfway? Or perhaps they know the reasons why bringing down interest rates affects only half of the inflation, and has no effect on the other half?

The information that will help us is from accounting. Specifically, the idea that the present high nominal interest rates are a cause of inflation is derived from a quite elementary mistake in our system of accounting. It considers the part of the interest that represents valorization of credits to be an expense. Only the part of the interest rate that exceeds the rate of inflation, however, can be considered an expense, and this is only an expense-income of the primary factor that is covered from income. For the most expensive part of our credits this is 1 percent, and for all of the credits of the banks (in 1984) it is exactly MINUS 43.3 percent! Could anyone, not to mention an economist, believe that an interest rate of 1 percent, or minus 43.3 percent, which it averages out to, is raising prices?

Since the part of the interest rate that is equal to the rate of inflation can be reduced to valorization of the credits, opposition to "real interest rates" is equivalent to a demand that in real terms the debtors only repay part of the debts, and leave the other part, which with high inflation is the main one, to the creditor, and in the final analysis to society as a whole. The adoption of this demand would mean an end to the very foundations of the legal system; no economy can be organized with such a system, far less a socialist one (with the ambition of instituting distribution according to labor). The discussions of the economic system are becoming completely absurd. Once we accepted such a system, then it would be much more logical for us to allow only part of the price of goods (to which repaying only part of the debt can be reduced) to be paid by investors and consumers buying them with their own funds and not other peoples' (credits). This is absurd, but no matter how absurd it is, it is less so than the demand that only part of the debts (the minor part) be repaid.

Before I go on to prove that negative interest rates inevitably cause inflation, I must disassociate myself from the widespread view that the excessive burden on the economy represented by contributions for the social superstructure is one of the factors responsible for inflation. Although great reserves are actually concealed in the social superstructure, and although the political sphere, as the initiator of the growth of this superstructure, should find the correct place for its activity there, we will not deal with this. High contributions and the services financed by them, to a considerable extent nonproductive ones, are one form of the general inefficiency of our economy. Because of them, the standard of living of our workers in material and nonmaterial production is lower than it could be. Nevertheless, if these contributions are not increased, or rather if they do not grow faster than the growth of the disposable social product (the domestic product minus the positive balance of the balance of trade), they do not cause inflation. Even very inefficient economies can be stable.

New Money

Here I am coming to the main part of the work. The economy is not just complaining about large contributions for the social superstructure, but also about large debts. At every point, however, in the past and in the present, the economy has had the possibility of financing investments with its own savings, and avoiding becoming dependent upon the banks. If an individual enterprise has not been capable of saving enough funds to finance investments, it has been able to do so by pooling funds together with other enterprises, either directly or through the banking system. Naturally, in this case it is a joint investment and not one's own. Since the economy did not do this, since as a whole, in general, it has obtained credits and thus had available less and less of its own funds and has become more and more dependent upon the banks, this can serve as a proof that the predominant financing of investments with bank funds, the possession of less and less of one's own funds, and increasingly greater dependence upon the banking system are not only the result of the economy's own decisions, but also of the decisions by which it improved its own position in comparison with financing investments with its own funds. Naturally, since the funds that it obtained from the banking system were not derived from its own savings (or the public's), since they constituted new money, they directly caused inflation by increasing demand.

The improvement in the economy's position achieved by financing investments with new money was not small. It was equal to the difference between the rate of the time preference of workers (the rate that equates the size of the increase in income in the future resulting from the investment to the loss of income in the present -- because of the investment) and the interest rate that the economy pays for credits. Because of the uncertainty of the future income, due to both the low effectiveness of investments and the impossibility in practice of individual appropriations of the products of the investment, the rate of the time preference must be very high -- that is, whatever the interest rate for credits, the advantage achieved by financing investments with new money instead of one's own savings is extremely high.

Unfortunately (and this is something that our economic policy has never been able to comprehend), the advantage to the economy achieved by financing investments with new money instead of one's own savings is only an advantage from the standpoint of the individual enterprise. Specifically, it is only from this standpoint that one can assume that prices will remain unchanged when investments are financed with new money. Since that method of financing became universal, and since it was used by more or less all investors, the necessary consequence of the massive emission of money was an increase in prices. The increase in personal incomes made possible by financing investments with new money instead of one's savings -- and that is the purpose of using credits instead of one's own savings -- remained nominal. The increase in prices, inflation, really reduced it to zero. In spite of the nominal increase made possible by the credits, real personal incomes remained what they would have been if the economy had saved up all the investment funds itself. The only difference would be the stability of prices, i.e., the absence of inflation.

By making it possible for the economy to improve its position by using emission credits for financing instead of its own savings -- even though it is obvious that the possibility of improvement only exists on an individual basis and does not exist for the economy as a whole -- economic policy failed to perform its basic duty, preventing individual illusions with disastrous social consequences. It is responsible for the occurrence of inflation in our economy, and not the economy, which under the given conditions, i.e. the possibility of obtaining emission credits, in an individual sense acted quite rationally. The calls for the economy to behave in a noninflationary manner, which are very characteristic of political forums, are nonsensical as long as it is offered the opportunity to improve its position, of course only in an individual illusion, by obtaining emission credits.

Equilibrium Interest

If the banking system, and in the final analysis the National Bank, did not create new money and offer it to the economy, it would have to finance its investments with its own accumulation -- savings. If the economy, including the population, were capable of saving the funds necessary to finance investments, the investors would have to pay the savers enough interest to compensate for their preference of current personal incomes, as opposed to (uncertain, especially in the individual sense) future ones. We call it the equilibrium interest rate. If income from interest were primarily put into investments (in the form of past labor, it must also partially increase personal incomes), the criticism regarding the social unacceptability of such a system would be eliminated. In any case, it would directly increase the effectiveness of business operation. if the savers obtained equilibrium interest by depositing their funds in banks, it would not occur to them to invest them themselves, unless they were able to ensure a higher yield than the interest that they get from the bank by depositing their savings, without great risk. This means that the equilibrium interest rate would serve investors as a minimum of profitability. This would increase the supply of savings/deposits and increase its mobility.

On the other hand, the investors would try to save as much of the funds as possible themselves, individually and by association, while financing only the smaller portion by obtaining credits. This means that the macro ex ante equivalence of savings and investments would for the most part be ensured at the micro level. The credit that the investors would use to finance investments would be derived from the enterprises that are not yet investing, and not from new money. Thus, on the whole, the equivalence ex ante of savings and investments at the macro level would be ensured. The economy would receive income that was equal to the amount (value) of the product produced, actually the income paid for the product produced, and this would make possible its realization at unchanged prices, i.e. without inflation. I will not go here into the problems that arise because of temporal discrepancies between the savings by one part of the economy and their expenditure by another part.

This makes two conclusions possible. In the first place, since greater efficiency increases the social product, and accelerates growth with equal funds invested, personal incomes would be greater than in an economy with sub-equilibrium interest, i.e. with inflation. My previous observation that the only consequence of financing investments with one's own savings would be the stability of prices, i.e. personal incomes (and the social product) equal to those in an inflationary economy is limited to the static aspect of the problem. Dynamically, when one takes increased efficiency into account, financing investments with one's own funds, which makes possible an equilibrium interest rate, increases the social product and personal incomes.

In the second place, the formulation that the stability of the economy can be ensured by the ex ante equality of savings with investments, and of the latter with equilibrium interest, could elicit criticism. Specifically, in the past I stressed personal incomes as a source of inflation. It is easy to prove, however, that these are different formulations of the same condition. If the condition of the ex ante equality of savings and investments is met, personal incomes (consumption) cannot be larger than the social product reduced by investments. This means that the condition of the stability of the economy can also be expressed in the opposite direction: ex ante, i.e. the nominal personal incomes paid per unit of product must not be increased. If this condition is met, then what is left after the payment of personal incomes (consumption), and this is nominal savings, is equal to the unspent, i.e. invested, portion of the social product. This means that an economy that even ex ante saves as much as it invests (the first formulation), or which does not increase personal incomes per unit of product (the second formulation) is by definition stable, and noninflationary. Equilibrium interest rates that ensure that the above condition is met thus ensure stability and prevent inflation.

We thus obtain an answer to the question concerning the cause of our inflation (and any inflation). In any economy that is not capable of ex ante saving as much as it invests, or alternatively, ex ante ensuring the constancy of nominal personal incomes per unit of product, investments are greater than savings. Alternatively, nominal personal incomes per unit of product increase. This inevitably means inflation and with it the reduction of all incomes in real terms, by the rate of inflation, i.e. forced ex post savings. Because of an interest rate lower than the equilibrium one, our economy was never capable of ex ante saving as much as it invested. It has always compensated for ex ante savings by the creation of emission money. Inflation is a natural consequence of such a policy. In other words, inflation did not come to our economy by accident, but rather as a result of conscious economic policy. In fact, economic policy is the sole essence of it. If economic policy were not aware of this, this would have to be taken as proof of ignorance of the elements of economics.

The criticism could be raised that inflation was also influenced by other causes, above all by external prices in 1974 and 1979-80, as well as the decline in the disposable product below the level required for halting indebtedness abroad and making the economy able to pay interest on foreign debt regularly. All of this is true, but the domestic product is by far the major factor in inflation. Otherwise, inflation in Yugoslavia would be similar to inflation in Western countries.

This makes possible an evaluation of the current ideas that inflation can be reduced by reducing interest rates. Instead of a reduction, it must lead to a further acceleration of inflation. In fact, the policy of reducing interest rates directly is a policy of further destabilization of the economy, a systematic surplus of investments over ex ante savings, i.e. personal incomes nominally larger than the product for which they are paid, and a further nominal expenditure of what has not been produced. Since financing at below-equilibrium interest makes business operation worse, this policy is also a policy of a further deterioration in the quality of business, a further reduction in efficiency, and economic growth slower than is possible, and as such contrary to the interests of workers and the population.

I will not dwell here on the possible criticism that with such a method of capital formation we would never be able to invest as much as we have invested. It will be sufficient for me to say that with greater efficiency this would not even be necessary, and that the same growth could be achieved with incomparably lower investments, which means incomparably larger personal incomes and consumption. Today our economy is naturally diversifed and dynamic enough to be able (together with the population) to accumulate enough for effective investments. There is no doubt that useful assistance could be offered by suitable systems, adopted by agreement, for the distribution of income and the formation of personal incomes.

Who Is Responsible

Two questions remain to be answered. In the first place, when we know that the economy needs not only really positive interest rates but also equilibrium ones, what is the optimum method for introducting them into the economy? There are two mistaken opinions. According to the first, the introduction should be gradual. According to the second, it would first be necessary to implement systemic changes, and when the new system got under way, the time would come for introducing "real" interest. The first opinion is similar to the demand that the heavy bleeding of a seriously wounded person be stopped gradually, obviously leading to his bleeding to death. The second opinion forgets that the economic system of a self-managing economy is a market, an equilibrium of the prices of factors and products. Without this any economic system, current or new, or any other ones, cannot ensure effective business operation by associated labor.

Just as the efficiency of foreign trade is determined by the realism of the exchange rates for foreign exchange, and the efficiency of labor by the realism of personal incomes (their connection with the real product), the efficiency of investment and of business in general on the macroeconomic level is determined by the realism (equilibrium) of the interest rate. An economic system can fulfill its task only if it contributes to the mobility of the market and eliminates its defects (for example, the indivisibility of factors, the contrasts of private and social product, and the occurrence of unearned incomes). If it enters into a conflict with the market, and wants to organize the economy with nonequilibrium interest rates, for instance, the system becomes a cause of general inefficiency. This means that the choice made de facto by the Federal Executive Council in the implementation of the Long-Term Economic Stabilization Program between the prices of the factors and the system was correct. The only mistake is that under pressure from political forces, and because of their unwillingness for real changes, and the ineffectiveness of the discussions of the system, it was not able to be more decisive in the right direction.

In the second place, how is it even possible that the ideas about reducing inflation by reducing interest rates -- which defy any economic logic and which, if implemented, will cause high inflation and an even more inefficient economy -- are not only occurring among us, but also gaining support from political factors, such strong support that the Resolution for 1986 as a whole is contaminated with them? One is thus quite justified in calling it the Resolution of the further instability and deterioration of business activity in 1986.

The general answer (I hope, since I do not want to investigate other possible motives) is ignorance. Of course, ignorance is not an excuse. More precisely, no one can be held responsible for his ignorance, not even accepting work that he is not qualified for. Nothing would be achieved by pointing to the political system that makes all of this possible. Responsibility is always the responsibility of physical persons. Physical persons select the experts, and decide whether to accept their proposals and support them. This, it seems, is the main problem in determining policy for next year, as well as for its results in the past.

9909
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EFFECTIVENESS OF AID TO UNDERDEVELOPED AREAS QUESTIONED

Ljubljana DELO in Slovene 12 Oct 85 p 15

[Article by Boris Jez: A System of You Give-I Receive Without Any Real Benefits]

[Text] In the postwar years, we have lived under the illusion that it is possible to remove or at least greatly ameliorate major differences in the economic development of the federal entities in a single 5-year period. These differences, however, have not only remained, but are increasingly becoming one of the most important economic and political problems of present-day Yugoslavia. This is in spite of the fact that our country is almost certainly the foremost in the world regarding the amount of resources allocated for the faster development of the less-developed areas, in proportion to its economic strength. What is wrong with our regional policies at the federal level; why is it that, in spite of so many investments, we have not been successful in getting the economic wheels to move more quickly in these federal entities?

The debate concerning this, which in reality has never ceased, has these days reached one of its high points in the Federal Assembly's committee dealing with the question of the economically underdeveloped republics and the Federal Autonomous Province of Kosovo. Namely, the committee is to formulate four laws, which would in the next 5-year period determine the circle of those who take for granted assistance from the broader social community, and also the form for this assistance. The sticking point is the question of which federal entities in reality are so far behind economically that they are not capable of development without financial assistance from others. Some feel that in fact only Kosovo is entitled to the status of an underdeveloped federal entity, while others maintain that Macedonia, Montenegro, and Bosnia and Hercegovina should remain in that "club." Such a divergence in positions is most frequently explained by the fact that we lack objective criteria for establishing (the lack of) development, which is not completely true.

It is certain that the Federal Assembly already passed a set of such measures 9 years ago and that things have been at an impasse for a long time, because when the measures were being formulated, each institution "saw" primarily its own republic or province. Last year, however, the Federal Institute for Social Planning brought up for discussion criteria that everybody felt constituted a satisfactory basis for seeking a common language. Montenegro, however, immediately noted that, according to these criteria, indicators, and evaluations, it would be dropped from the circle of economically underdeveloped federal entities, and it wanted to add another criterion of its own. Macedonia, which under the proposed criteria found itself on the verge of development, acted in a like manner.

In short, it was demonstrated once again that in Yugoslavia it was in fact impossible to come up with objective criteria for establishing (the lack of) development, and that in this area economic science was overshadowed by politics. In the current medium-term period, the circle of those that are economically underdeveloped has been agreed upon politically, and so one should not have any illusions that this will not be the case during the next 5 years. A certain amount of selfishness on the part of those who are underdeveloped and who would like to be supported by the work of others is certainly not the only thing to blame. Above all, this is due to the fact that the transition to the status of being developed would certainly be very painful, and so they feel most secure if they get their dinars on a regular basis from the fund of the federation. Thus far, economic policies have not really offered them anything specific in exchange for their current position, except for the so-called "transitional period" regarding which it is not even known how it would turn out in practice. It seems that in the country's medium-term plan, the wisest thing to do would be to establish how the borrowing, fiscal, and tariff policies are each to solve the problems of these federal entities. At the same time, it is necessary to state that Kosovo in particular is to get major tariff and credit relief. If we were to sum up all the provisions of the current policy, it would be easy to demonstrate that the province is receiving more money in this way than through the fund of the federaiton. At any rate, it should be made possible for the federal entities, during the transitional period, to move away from their current status as painlessly as possible, and it would certainly be possible to reach an agreement in the Federal Assembly more quickly if that were the case.

As a matter of fact, this has brought us to the essence of the problem: For many years, the seeking of objective criteria has led to a dead end. The federal Executive Council has not taken advantage of the moment for establishing a new, contemporary system and instruments for regional policies. The fund of the federation is the last remnant from a not-so-distant period of our economic history, and it has many etatist attributes. For that reason, we should replace it with something more suited to our time. Obligations that remain to be transacted could easily be taken over by the federal budget, and the idea of converting the fund into a kind of bank that would operate in accordance with businesslike criteria seems even more acceptable. The principle should prevail that the greatest opportunities for the underdeveloped lie in the unification of the economy in a unified Yugoslav market ruled by economic laws. In this medium-term period we will certainly not satisfy the request to have half of the aid to the underdeveloped take the form of direct association of work organizations. In spite of that, we must persevere, so that in the upcoming 5 years the share would be at least seven-tenths, as was proposed in the draft law.

It is possible to encourage association with the most diverse instruments of economic policy; practice has demonsrated that the mechanical transfer of funds from the North to the South is virtually the least effective instrument, which has frequently shown itself to be economically harmful as well. Federal entities that are receiving assistance from the broader social community are investing the money that they receive exclusively in accordance with their own "tastes," which in practice means a purposeless allocation of resources in the Yugoslav economic sphere. For example, this is evidenced by duplication of capacity and capital-intensive investments, while at the present time these republics and Kosovo need, like parched earth needs rain, jobs more than anything else, etc. Furthermore, the underdeveloped do not, as a rule, allow "interference" in how this money is to be spent, which of course defies all economic logic, since those who are investing should at least participate in all decisionmaking that affects joint investments.

Directly linked to this question is the problem of the amount of funds that the Yugoslav community is to allocate in the next 5 years for encouraging development in the economically underdeveloped republics and Kosovo. The draft law envisages having the economy give for this purpose, in the upcoming years, 1.58 percent of the social product instead of the previous 1.83 percent, which is something that the "club" of the underdeveloped naturally does not agree with. As a matter of fact, even the current amount allocated from the social product does not ensure that the major problems faced especially by Macedonia and Montenegro, in addition to Kosovo, will be solved. On the other hand, it is of course not possible to overlook the major problems of the more developed territorial entities, which are now objectivley able to give less if they do not wish to jeopardize their own development. The extent of this problem was especially well illustrated at the most recent sessions of the Federal Assembly, at which the delegates from Serbia minus the provinces demanded that Serbia should contribute half as much as the others for the underdeveloped entities, because Serbia itself has 51 opstinas that are far below the Yugoslav average.

Many cannot agree with Serbia's request, which certainly has a logic of its own, because it would create a precedent that would gradually bring about a disintegration of the current, albeit not exactly successful, system of providing assistance to the underdeveloped. At any rate, it should be noted that these problems would certainly not appear in such a politically acrimonious form if they followed a differently formulated regional policy, as for example that contained in the stabilization program. Right now, the republics and the provinces are literally forced not to agree with each other, but rather to haggle with each other, since each dinar has become quite precious. These tiring negotiations, which will certainly once again continue to the last day of this year, have pushed into the background the essential point: how to make possible a faster solution for the country's less developed areas, without at the same time placing an excessive burden on the economic locomotives that are pulling our development.

Similar statements are valid regarding the so-called supplementary resources which are every year earmarked by the federal treasury for financing joint and common expenses in the underdeveloped republics and Kosovo. The problem seems to be unsolvable, because the less developed areas are quick to invoke their legal rights, while others try in vain to argue that they have no money even for themselves. For example, this year it was planned that Kosovo would receive approximately 26 billion dinars from the federal treasury, which was equal to this year's Slovenian budget. Things will continue in this manner, however, as long as it is possible to dip into the common pot. Instead, we should link consumption to work results and solve the problems of the underdeveloped territorial units through a closer inter-republic cooperation in the areas of science, culture, education, etc.

Regardless of the agreement that is reached in the federal assembly regarding the four draft laws, Yugoslavia will clearly retain the current system and instruments for assisting the underdeveloped areas in the next medium-range period. It is a pity that in the atmosphere of convincing each other that it is necessary to begin acting differently, we are preserving the system of "you give-I receive," which has not only failed to yield expected results, but has even been harmful in many instances. Everybody is receiving resources, both those who use them quite well and those who immediately stuff them into pay envelopes.

Of course, it would be impossible to come up with anything qualitatively new by the end of the year that would be based not only on the principles of socialist solidarity, but also on economic expediency at the same time. For that reason, we should not once again waste the next 5 years in a stubborn search for some objective criteria which, in the final analysis, are only criteria for dividing things up and not for creating new wealth. We should utilize them eventually to establish a new, more contemporary system of instruments for regional policies. Such a system will in fact be able to inspire us once again to convince each other that it is possible to remove (excessively) large differences in economic development in a single 5-year period.

12274
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DECREE ON ORGANIZING UNIFIED FOREIGN EXCHANGE MARKET

Belgrade SLUZBENI LIST SFRJ in Serbo-Croatian 30 Dec 85 pp 2077-2080

[Text] 898. On the basis of article 26 paragraph 2 of the Law on Foreign Exchange Transactions (SLUZBENI LIST SFRJ no. 66/85), at the proposal of the National Bank of Yugoslavia, the Federal Executive Council is adopting a

Decree on the Organization and Operation of the Unified Foreign Exchange Market

I. General Provisions

Article 1.

The purchase and sale of foreign exchange, in accordance with this decree, take place:

1) in direct contacts between banks authorized for foreign business which have current accounts in banks abroad (hereinafter "authorized banks");

2) at a specially organized interbank meeting of the authorized banks, or of the authorized banks and the National Bank of Yugoslavia (hereinafter "interbank meeting").

Article 2.

Foreign exchange is purchased and sold immediately or on terms.

Immediate transactions involving the purchase and sale of foreign exchange are conducted by the authorized banks and the National Bank of Yugoslavia.

Foreign exchange is purchased and sold on terms by the authorized banks.

Article 3.

The immediate purchase and sale of foreign exchange, and the purchase and sale of foreign exchange on terms, are engaged in by the authorized banks:

1) in direct contacts between the authorized banks;

2) at an interbank meeting.

The purchase and sale of foreign exchange on the unified foreign exchange market is confirmed by a sales agreement, a form for which is printed along with this decree as an integral part of it.

Article 4.

The authorized banks buy and sell foreign exchange in accordance with the requirements of their operation, and in accordance with their own daily foreign exchange position and the joint one.

The authorized banks buy and sell foreign exchange among each other only for payments abroad that come due within a period of 2 working days from the day of the purchase and sale of the foreign exchange.

Article 5.

An authorized bank for which the inspector of the National Bank of Yugoslavia, in accordance with the provisions of article 145 of the Law on Foreign Exchange Transactions, has halted payments abroad, buys and sells foreign exchange on the foreign exchange market only for paying mature foreign credit obligations and convention obligations.

Article 6.

The object of the purchase and sale, in accordance with the provisions of this decree, is the foreign exchange designated by the National Bank of Yugoslavia in accordance with article 30 of the Law on Foreign Exchange Transactions.

The purchase and sale of foreign exchange between authorized banks is done by transferring the foreign exchange from the account of the seller to the account of the purchasing bank.

The authorized bank buying the foreign exchange is obligated to pay the dinar equivalent value of the foreign exchange bought, within the period agreed upon, to the transfer account of the bank selling it.

If, when the transaction is agreed upon, the date for completing the transaction is not explicitly agreed upon, the transaction of the purchase and sale of the foreign exchange is completed at the latest within a period of 2 working days from the date when the transaction is agreed upon.

Article 7.

In order to coordinate payments abroad for all purposes with foreign exchange receipts and the purchase of foreign exchange, in accordance with this decree, the authorized banks establish plans for the receipt and outflow of foreign exchange and the daily foreign exchange position, which they deliver to the National Bank of Yugoslavia.

On the basis of the plans for the receipt and outflow of the foreign exchange of the authorized banks, under article 63 of the Law on Foreign Exchange Transactions, the National Bank of Yugoslavia examines the liquidity of the banks, on an individual basis and in general, and if it determines that disruptions may occur, it informs the Federal Executive Council of this.

Article 8.

The authorized banks are responsible for providing the National Bank of Yugoslavia with a summary of the obligations for current payments abroad that come due, seven days before the day on which the obligations come due, for individual orders whose amounts exceed $10 million.

Article 9.

In addition to the plans for the receipt and outflow of foreign exchange, the authorized bank sends the National Bank of Yugoslavia and the national banks of the republics or the national banks of the autonomous provinces a "Summary of the Obligations for the Payment of Principal and Obligations for the Payment of Interest on Foreign Credits" by the 15th of the month for payments coming due during the following month, following Form no. 1, which is printed along with this decree and constitutes an integral part of it.

Article 10.

The authorized bank determines its daily foreign exchange position for each interbank meeting and sends it to the National Bank of Yugoslavia one day before the holding of the interbank meeting, by 12:00 at the latest.

The daily foreign exchange position is determined using form no. 2, "Foreign Exchange Position of the Authorized Banks," which is printed along with this decree and constitutes an integral part of it.

Article 11.

The foreign exchange position of the authorized bank covers the daily state of the foreign exchange funds on the day when the position is sent to the National Bank of Yugoslavia, the foreign exchange receipts expected during the time in which foreign exchange is bought and sold in accordance with the daily position, and the outflow of foreign exchange for payments abroad that come due during that period.

The state of the foreign exchange funds in paragraph 1 of this article covers funds in actual foreign money, checks, letters of credit, papers of value, funds in the current accounts of the authorized bank abroad, foreign exchange deposited for a fixed or undetermined time in accounts with foreign banks, and foreign exchange funds in the accounts abroad of other banks, for which this bank has paid the dinar equivalent value in accordance with article 86 of the Law on Foreign Exchange Transactions.

Article 12.

Payments abroad that come due on the day for which foreign exchange is bought and sold at the interbank meeting cover all obligations resulting from the payment orders of organizations of associated labor and other social juridical persons, and are included in Form no. 3, "Summary of Due Obligations for Payments Abroad on the Day ___ 198_," which is printed along with this decree and constitutes an integral part of it.

Article 13.

On the basis of the data from the daily foreign exchange positions of the authorized banks, the National Bank of Yugoslavia compiles the joint foreign exchange position of the SFRY, in order to establish the overall supply and demand for foreign exchange among the banks in direct contacts and at the interbank meeting, and sends it to the interbank meeting.

Article 14.

An authorized bank that does not send its foreign exchange position on time, per article 10, and the summary of its foreign exchange obligations abroad, per article 12 of this decree, cannot participate in the work of the interbank meeting on that day and cannot make current payments abroad until it sends them.

An authorized bank can purchase foreign exchange in direct contacts and at the interbank meeting if it maintains the level of short-term debt established by the projection for Yugoslavia's balance of payments for the current year, and in accordance with the decision in article 20 of the Law on Foreign Credit Relations.

II. Purchase and Sale of Foreign Exchange in Direct Contacts Between Authorized Banks

Article 15.

The authorized banks purchase foreign exchange and sell it to each other at the exchange rate established at the interbank meeting.

Article 16.

The authorized bank selling the foreign exchange notifies the professional service of the interbank meeting, on the same day, of each sale and purchase of foreign exchange agreed upon.

Article 17.

After each interbank meeting, the professional service of the interbank meeting must inform all the banks of the state of the coordination of supply and demand for foreign exchange.

Article 18.

The authorized banks are responsible for keeping records of foreign exchange purchase and sale transactions agreed upon in direct contacts with other banks. Each foreign exchange purchase or sale transaction is entered in the records.

Article 19.

The authorized bank making the sale is responsible for issuing, on the same day that it agrees to the transaction of selling foreign exchange to another authorized bank, a sales agreement, in three copies, one of which is kept by the seller, the second of which is sent to the purchasing bank, and the third of which is sent to the professional service of the interbank meeting.

Article 20.

The professional service of the interbank meeting, on each working day, sends the National Bank of Yugoslavia a report on the foreign exchange purchase and sale transactions concluded under article 17 of this decree.

Article 21.

Foreign exchange is bought and sold on terms at the exchange rates agreed upon by the contracting parties, with the stipulation that an exchange rate can only be contracted for within the limits of the exchange rates established by the Federal Executive Council.

Article 22.

Three copies of the authorized bank's signed sales agreements are sent to the person who chaired the interbank meeting for verification and entry in the registry of term transactions. After verification and entry in the registry, one copy each of the verified sales agreement is sent to each contracting party, and the third copy is kept by the professional service of the interbank meeting for its records.

Article 23.

Foreign exchange is bought and sold on terms between authorized banks through the transfer of the foreign exchange from the account of the selling bank to the account of the purchasing bank, under the conditions agreed upon and within the periods specified in the verified and registered sales agreement.

The authorized bank purchasing foreign exchange on terms is responsible for paying, within the periods and at the exchange rates agreed upon in the sales agreement, the dinar equivalent value of the foreign exchange purchased to the transfer account of the authorized bank selling it.

The authorized bank which is the buyer uses the foreign exchange purchased on terms to fulfill the orders for payments abroad of the organizations of associated labor for which the foreign exchange is purchased, in accordance with the sales agreement.

Article 24.

During the application of articles 24 and 110 of the Law on Foreign Exchange Transactions, the authorized banks cannot conclude deals for the purchase and sale of foreign exchange on terms.

III. Interbank Meeting

Article 25.

The interbank meeting is held every working day at a time designated by the Business Council of the interbank meeting, with the agreement of the National Bank of Yugoslavia.

The authorized banks are members of the interbank meeting of the foreign exchange market. The National Bank of Yugoslavia also participates in the interbank meeting of the foreign exchange market.

An authorized bank which has lost its authorization to conduct the business of payment turnover and credit business abroad also loses its right to membership in the interbank meeting.

Article 26.

The members of the interbank meeting establish the way in which funds are to be secured for the work of the interbank meeting, conduct administrative-professional and other work for the needs of the interbank meeting, and can regulate their work more closely at the interbank meeting.

The members of the interbank meeting establish a business council as a joint body, and determine its composition and selection.

The members of the interbank meeting arrange the method of work during the meetings through regulations for the conduct of meetings.

Article 27.

Administrative-professional and other work for the needs of the unified foreign exchange market is performed by the professional service of the interbank meeting.

The members of the interbank meeting can entrust the performance of the work of the professional service, per paragraph 1 of this article, to an organization or community that is equipped to perform such work.

Article 28.

At the interbank meeting, foreign exchange can be purchased and sold in the amounts established by the business council of the interbank meeting.

Article 29.

The authorized banks and the National Bank of Yugoslavia participate in the interbank meeting through their authorized representatives.

The number of representatives of authorized banks who participate in the work of the interbank meeting is established by the regulations on the conduct of the interbank meeting.

Article 30.

The interbank meeting is chaired by a person designated by the business council of the interbank meeting.

At the interbank meeting, the representatives of the members of the interbank meeting submit, in written form, their summaries of the amounts of foreign exchange by type that they intend to buy or sell at the meeting of the day in question. This summary should be consistent with the data included in the daily foreign exchange position per article 10 of this decree.

The supply and demand for foreign exchange are expressed in U.S. dollars, and the purchase and sale of foreign exchange is contracted for in the available currencies.

At the interbank meeting, the National Bank of Yugoslavia submits a list of the intervention exchange rates of the National Bank of Yugoslavia.

Before the interbank meeting begins its work, the National Bank of Yugoslavia sends the competent service of the interbank meeting an aggregate foreign exchange position for all the banks that are members of the interbank meeting. On the basis of a review, by banks and purposes, of the total intentions announced regarding the purchase and sale of foreign exchange, the authorized person chairing the interbank meeting, with the agreement of the representative of the National Bank of Yugoslavia, proposes a means of equalizing the total supply and demand for foreign exchange.

On the basis of the review in paragraph 4 of this article, foreign exchange is bought and sold at the interbank meeting and in direct contacts between authorized banks.

Foreign exchange is bought and sold at the interbank meeting at exchange rates within the range between the lower and upper exchange rates from the list of the intervention exchange rates of the National Bank of Yugoslavia.

Article 31.

Sales agreements for deals concluded for the purchase and sale of foreign exchange are prepared during the interbank meeting, on the basis of the concluded deals entered in the registry of foreign exchange purchase and sale transactions. The sales agreements bear the corresponding sequential number from the registry.

Immediately after the conclusion of the interbank meeting, the sales agreements are presented for the signature of the representatives of the buyers and sellers, who sign them. The signed sales agreements are presented to the authorized representatives of the buyer and seller immediately after the signing. One copy of the signed sales agreement remains in the archives of the interbank meeting.

Article 32.

After the conclusion of the interbank meeting, work begins on calculating the average (daily) exchange rates for all the types of foreign exchange that were involved in purchases and sales at that meeting.

The average (daily) exchange rates are calculated on the basis of the foreign exchange purchase and sale transactions concluded that day at the interbank meeting, and for which sales agreements are issued and signed.

The average daily exchange rate for foreign exchange is established on the basis of the value of the transactions concluded for the purchase and sale of individual types of foreign exchange and the exchange rates at which the transactions are concluded.

The average exchange rate for foreign exchange which on a given day was not involved in purchases and sales at the interbank meeting is formed within the framework of the range between the lower and upper intervention exchange rates from the list of the intervention exchange rates of the National Bank of Yugoslavia.

Article 33.

At the same time as the calculation of the average (foreign exchange) exchange rates, purchase and sale exchange rates are calculated for each type of foreign exchange.

The purchase and sale exchange rates are formed on the basis of the average exchange rates, by subtracting or adding a margin of 1.5 thousandths of the established average exchange rate.

Article 34.

The exchange rates for foreign exchange calculated by the method stipulated in article 32 of this decree are entered into the list of exchange rates.

The exchange rates for foreign exchange in paragraph 1 of this article are expressed in dinars per unit of foreign currency for U.S. dollars, Canadian dollars, Kuwaiti dinars, Australian dollars, European accounting units, English pounds, and Iraqi dinars, and per 100 units for other foreign exchange.

The exchange rates are calculated to two decimal places.

Article 35.

The list of exchange rates from article 34 of this decree is signed by the person who chaired the interbank meeting and the representative of the National Bank of Yugoslavia.

The list of exchange rates is made public, at the latest, one hour after the conclusion of the interbank meeting. The list is made public on a board on the premises where the meetings are held, in the daily press, through radio and television, or in another manner, and the lists are sent to the banks that are members of the interbank meeting by 14:00 on the same working day.

Article 36.

The purchase and sale exchange rates from the interbank meeting's list of exchange rates are used by the authorized banks for all purchases and sales of foreign exchange that take place between them and the organizations of associated labor and other physical and juridical persons, except for the purchase of actual foreign money, foreign checks, and foreign letters of credit, and for the settlement of international postal orders, the exchange rates for which are formed in accordance with the provisions of article 5 of the Law on Exchange Transactions.

The purchase and sale exchange rates in paragraph 1 of this article are also used by the National Bank of Yugoslavia.

The purchase and sale exchange rates from the interbank meeting's list of exchange rates are used starting at 14:00 on the same day that the meeting is held, and the average exchange rates are used starting the next day after the interbank meeting is held.

Article 37.

After the conclusion of the interbank meeting, the authorized person who chaired the interbank meeting is responsible for sending the National Bank of Yugoslavia, on the day when the interbank meeting is held, the following:

a) a report on the supply and demand, and on transactions involving the purchase and sale of foreign exchange that are concluded at the interbank meeting on that day, and on the exchange rates at which these transactions were concluded;

b) a list of the exchange rates established and formed at the interbank meeting on that day.

Article 38.

The National Bank of Yugoslavia is obligated to purchase the excess supply of foreign exchange at the interbank meeting.

At the interbank meeting, the National Bank of Yugoslavia buys foreign exchange at the lower rate, and sells it at the higher rate, from the list of the intervention exchange rates of the National Bank of Yugoslavia.

Article 39.

At the interbank meeting, the National Bank of Yugoslavia intervenes to satisfy the excess demand for foreign exchange, in accordance with the requirements for payments abroad, which are established on the basis of the daily foreign exchange positions of the authorized banks and the plans for the receipt and outflow of foreign exchange of the authorized banks.

IV. Purchase and Sale of Foreign Exchange Under the Conditions of an Imbalance in the Supply and Demand for Foreign Exchange

Article 40.

When the conditions occur for application of the provision of article 110 of the Law on Foreign Exchange Transactions, all foreign exchange is bought and sold exclusively at the interbank meeting of the unified foreign exchange market.

The purchase and sale of foreign exchange and payments abroad under the conditions in paragraph 1 of this article take place on the basis of the joint foreign exchange position, and in the sequence prescribed by the Federal Executive Council.

On the day that the interbank meeting is held, if foreign exchange funds have been secured to pay for all of the priorities stipulated by an act of the Federal Executive Council, the authorized banks can make other payments abroad within the framework of the available funds between the prescribed minimum and maximum.

Article 41.

If it is established on the basis of the joint foreign exchange position that the authorized banks cannot make all the payments for priority purposes in accordance with article 110 paragraph 2 of the Law on Foreign Exchange Transactions, as established by the Federal Executive Council, the authorized banks are responsible for using the total foreign exchange funds above the established minimum to pay for priority purposes in accordance with the established sequence prescribed by the Federal Executive Council for that day, and for selling the excess funds above the requirements of the sequence of payments for that day at the interbank meeting to other authorized banks for payment for the same priority purposes established for that day.

Article 42.

The National Bank of Yugoslavia, through the joint foreign exchange position, the purchase and sale of foreign exchange at the interbank meeting, its inspectors at the authorized banks, and its inspection bodies, ensures orderly payment for individual priority purposes in accordance with the sequence established by the Federal Executive Council.

V. Records and Forms

The form for the sales agreement in articles 22 and 31, and the registry of foreign exchange purchase and sale transactions in article 32 of this decree, are printed along with this decree and constitute an integral part of it.

If a need has been demonstrated, the National Bank of Yugoslavia provides technical guidance for completing the forms that are printed along with this decree and are an integral part of it.

VI. Punitive Provisions

Article 44.

An authorized bank will be punished by a monetary fine of 500,000 to 5,000,000 dinars for an economic offense:

1) if it pays obligations abroad without first sending the National Bank of Yugoslavia its foreign exchange position and the summary of its foreign exchange obligations abroad (article 14 paragraph 1);

2) if it sells foreign exchange to another bank or buys it from another bank at an exchange rate other than the one established at the interbank meeting (article 15);

3) if it buys or sells foreign exchange on term during a period in which articles 24 and 110 of the Law on Foreign Exchange Transactions are being applied (article 24);

4) if during a period in which article 110 of the Law on Foreign Exchange Transactions is being applied, it pays foreign exchange abroad or buys or sells foreign exchange to ensure this payment, in violation of the joint foreign exchange position and the sequence for payments abroad established by the Federal Executive Council (article 40 paragraphs 1 and 2); and

5) if it pays a foreign exchange obligation abroad in violation of the established daily sequence or if it does not offer its excess foreign exchange funds to other authorized banks at the interbank meeting for the payment of the same purposes established for that day (article 41).

The action in paragraph 1 of this article will be punished as an economic offense, and the responsible person in the authorized bank will be fined 10,000 to 100,000 dinars.

Article 45.

An authorized bank will be punished with a monetary fine of 10,000 to 500,000 dinars for a violation:

1) if it does not establish a plan for the receipt and outflow of foreign exchange and a daily foreign exchange position, and send them to the National Bank of Yugoslavia (article 7 paragraph 1);

2) if it does not send the National Bank of Yugoslavia a summary of the due obligations for current payments abroad, the amount of which exceeds $10 million U.S., seven days before the obligations come due (article 8);

3) if it does not send the National Bank of Yugoslavia and the national bank of the republic or national bank of the autonomous province, by the 15th of the current month, a "Summary of Obligations for the Payment of Principal and Obligations for the Payment of Interest on Foreign Credits" for payments coming due the following month (article 9).

The actions in paragraph 1 of this article will be punished as a violation, and the responsible person in the authorized bank will be fined 5,000 to 100,000 dinars.

VII. Concluding Provisions

Article 46.

On the day that this decree goes into effect, the Decision on the Organization and Work of the Interbank Meeting of the Unified Foreign Exchange Market (SLUZBENI LIST SFRJ no. 12/85) and the Decision on the Conditions, Organization, and Work of the Unified Foreign Exchange Market in 1985 (SLUZBENI LIST SFRJ no. 12/85 and 52/85) cease to be in effect.

Article 47.

This decree goes into effect on 1 January 1986 and is to be published in SLUZBENI LIST SFRJ.

Belgrade, 26 December 1985

Federal Executive Council

Vice President Janez Zemljaric

9909
CSO: 2800/140

PROBLEMS IN INTEGRATING ELECTRIC POWER SYSTEM

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 24 Nov 85 pp 22-23

[Article by Dragan Nedeljkovic: "Planning for Shortages"]

[Text] The obligation to make joint plans for the development of electric power that was included in the new law on planning has caused genuine confusion in electric power organizations. In little more than a month the first year of the new medium-term period will begin; in this period, in which it will be necessary to act and build installations in a new manner, it is still not clear to anyone what to do with this obligation. It exists as a legal stipulation, it is clear to everybody that something should be done, but, at the same time, it is clear to everybody that it is impossible to implement the obligation in practice. Also, there is a dilemma regarding what to do with a law that is not implemented: the state and its authorities should force the implementation, and it is necessary to either make political decision or else declare the law invalid.

What is much more important than these, shall we say legal quibbles, is the fact that none of the joint goals can be implemented. The following have been proclaimed as joint goals: a reliable supply of electrical power to the consumers, the construction of installations that are the most rational possible from the point of view of energy and economics, and the optimal utilization of the electric energy system. The very fact that these goals for the development of electric power industry are being regulated by law indicates two essential things: firstly, that up to now the electric power system was not being developed in accordance with such premises that are fundamental to any economic activity and, secondly, that the economic system lacks an instrument that would force the electric power industry to behave in this manner. Can the new law on planning supplant all this?

Not Even the Construction is Being Observed

The key question is, what is preventing the implementation of the new law on planning? In essence, this law has changed nothing in the position of the electric power organizations. In accordance with a constitutional principle, the republics and provinces continue to be the ones responsible for developing electric power and for supplying the consumers in their areas with electric power, and the electric power organizations continue to belong to the republics or provinces. This means that the plants, legislation, expanded reproduction, the self-managing communities, and everything else are regulated by the socio-political communities. The technical and technological unity of the electric power industry remains the only thing in common. Consequently, in Yugoslavia one can ensure sufficient electric energy for all consumers only if every socio-political community fulfills its constitutional obligation and builds for itself enough production capacity to meet its energy consumption needs.

The greatest misfortune that has befallen past development, however, is the fact that this principle, reached by consensus, has not been observed. The socio-political communities have not built enough electric power capacity and so the balance sheets have already noted a shortage of electricity. This has been the practice in the last two medium-term periods, in which electric power as a whole has lagged behind as far as development was concerned, and consumption has grown faster that the building of new electric power plants. It is well known that this practice went on without consequences or, to be more exact, only the consumers have felt the consequences through reductions. The failure to observe the constitutional principle, however, has not caused any sanctions.

There are a number of other, one could say technical, obstacles to the implementation of the new law on planning; for example the time periods for the construction of electric power plants. All the power plants that will go on line during the next five years are already in an advanced stage of construction (they were selected, financed, and planned the old way), and it is therefore impossible to speak of joint planning of installations for the upcoming planning period. It is known that the study, planning, and construction of any significant electric power installation last more than five years.

Planned growth rates for electric power for 1986-1990

	Consumption	Production
Bosnia and Hercegovina	6.5	7.8
Montenegro	3.5	0.0
Croatia	4.8	9.2
Macedonia	4.1	6.7
Slovenia	4.1	1.1
Serbia	4.8	2.6
Kosovo	10.3	7.3
Vojvodina	4.2	6.3
Yugoslavia	5.0	4.9

A not smaller obstacle to the implementation of the law is the absence of a model for selecting economically rational production plants at the national level, the nonexistence of a model for joining together the resources of the electric power organizations, differences in how the pricing policy for electricity and its influence on expanded reproduction are understood, etc.

The Dilemmas of the New Plan

It will probably be possible to remove, in a relatively short time, the procedural obstacles to the new way of planning. The new plan, however, in the form in which it was cast by the republic and province electric power organizations, introduces an essentially new dilemma. During the past ten years, a period covered by two medium-term plans, the electric power industry has made plans for a balance between the production and the consumption of electric energy. Everything was in order as far as the planning documents were concerned, and the difficulties arose in the implementation. Stated more precisely, the plants were not built as planned while consumption increased. Electricity shortages came about as a consequence of delays and postponements in the construction and failure to implement what had been planned for. Now, shortages are being planned for. That is to say, as average annual growth of 5 percent is planned for the country as a whole, with a 4.9 percent growth in production. At first glance, the difference between the two figures does not seem to be very significant, but when it is converted into units for measuring electric energy it becomes very different. The total shortage of electricity for the five years, according to the plan, exceeds 8 billion Kilowatt hours; when broken down by year, the shortage starts out at 1 billion Kilowatt hours in 1986, and climbs to 2.4 billion in 1990.

Of course, the above will be true only if the plans are met, and no one can remember the last time when any of the medium-term plans dealing with electric power was met. There are a number of unclear assumptions in a plan that has been put together in this fashion, a collection of republic and province plans. For example, it has been planned that electric power plants using liquid and gas fuels would be utilized to a considerably greater extent than in 1985 and previous years, even though no one knows how to ensure fuel for them. Lack of fuel has caused these power plants to be more idle than operational during the past few years, and the new plan stipulates that they will be used at top capacity. It has also been planned to build certain electric power plants regarding which it is not known where they will be built or what kind of fuel they will use.

Croatian electric power industry wants and is planning for 700 megawatts worth of new electric power plants. It is making attempts to build them along the Drina river, in Kosovo, Kolubara, Tuzla, or anywhere there are natural energy resources, but there have been no responses to the offers and so it is completely uncertain whether, when, or where anything will be built; not to mention the fact that the electric power industry as a whole is entering the new plan period with a large deficit from the previous period, and that there already is a divergence between the production capability of the electric power industry and the consumer's needs.

This method of planning creates new dilemmas. It is at all possible to plan for shortages, and what does this mean? Without energy, it is useless to make plans for general development or a growth of income, social product, economy, and the standard of living. It is therefore necessary to coordinate the overall plans with the development of energy and either change the overall development plans or increase the production of energy. There is yet another possibility -- conservation and rational consumption of energy. Achieving that, however, would necessitate much more extensive socio-economic measures but, at the same time, the rule that it is only possible to conserve something that one has and not something that one does not have has been vindicated. It is evident that there is not enough energy.

It is strange that some socio-economic communities are planning for an increase in the consumption of energy without increasing production. Who will provide them with energy? Others are planning a greater increase in consumption that in production, and it is not clear who will buy (or import) electric energy from whom and how.

9110/13068
CSO: 2800/108

ELECTRIC POWER PLANS, NEED TO RAISE PRICE TO EUROPEAN LEVEL

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 13 Dec 85 p 1

[Text] Until acceptable domestic elements are worked out, electricity in Yugoslavia should increase in price on the average of 30 percent, in order to decrease the disparities with electricity prices in five West European countries. By next year, there will be enough electricity if approximately 64 million tons to coal, 800,000 tons of mazut, and 800 million cubic meters of natural gas are ensured for the appropriate electric power plants.

Belgrade, 12 December -- Delegates to the assembly of the Yugoslav Electric Power Industry Community feel that the prices of electric power in this phase should be formulated in Yugoslavia in such a manner as to decrease the divergence with the price levels in five West European Countries -- West Germany, Austria, Italy, Switzerland, and Greece -- by increasing the average prices of electricity. Since this criterium is not based on domestic considerations, efforts will be made to come up with criteria that will make possible the establishment of a long-term parity relationship between the price of electric energy and the fuel used to generate it. Thus, the price of electric energy would fluctuate according to the price of the fuel. This position will be forwarded to the Federal Executive Council.

Electricity producers feel that they are currently not in a position to accept the Federal Executive Council's position that electrical energy prices should be formulated on the basis of past and current work, nor can they accept the position that the price should be formulated at the same level throughout Yugoslavia. Even before the fall they have requested that the Federal Executive Council approve an increase in electricty prices averaging 30 percent, and to have the rate of increase applied in a differentiated manner in the electric power industries of the republics and provinces. Since the increase in prices did not date from the beginning of the winter season when the consumption is higher, this would only improve the drastically threatened financial position of the electric power organizations, without observing the position, containing in this year's resolution on having the price of electricity increase at a rate that is 10 percent higher than that of industrial products. At the end of the nine month accounting period, the electric industry organizations as a whole have posted a 36.8 billion dinar loss, which is 2.5 times greater than the loss sustained during the same period last year, in spite of the fact that they have increased their production by six percent and, as far as activity is concerned, they were in the third place in industry and mining in Yugoslavia.

The position of the electric power industry of Slovenia was at odds with the decision of the YUGEL Assembly. Slovenia insisted on the inclusion of a clarification to the effect that average increases did not imply the same prices throughout the country. This insistence is completely understandable but unnecessary, because the position makes it clear that the same prices would not be implied until overall conditions for this are created. This republic fears the implementation of the same price of electricity for the entire country because the cost of producing electricty is very high in Slovenia and an average price that would certainly be lower than Slovenia's price would not be in its interest.

The debate on electric energy balance and the economic position of the electric power industry as a whole make it clear that next year there will be sufficient electric power, but that it will be considerably more expensive. The general orientation is toward having the price of electricity approach the West European level at a faster rate. Currently, the disparity is over 50 percent. Stated more precisely, the average price of electricty in Yugoslavia is only 44 percent of the West European price, and the most expensive kilowatt hour is over 50 percent under the average. The long-term orientation is to reach that average.

The estimate is that next year approximately 80 billion kilowatt hours will be produced and consumed -- 5.1 percent more than in 1985. Such production will demand approximately 64 million tons of coal, 800,000 tons of mazut, and 800 million cubic meters of gas. Consequently, there should be sufficient electricity next year, provided that everybody does his part and that weather conditions do not deviate too much from the norm.

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ARMED FORCES STRUCTURE, DEFENSE SYSTEM SUMMARIZED

Warsaw ZOLNIERZ POLSKI in Polish 15 Dec 85 p 21

[Text] More often than not we say "the military" and then also use the word "army" or the term "armed forces." The latter term first appeared in the 1850s when the need existed to find a common term covering both the land and naval forces; afterwards, it included the airforce.

The term "Polish Army" first appeared in the 19th century; it was officially introduced in 1918. The term was also used in a decree of the National People's Council of 21 July 1944, according to which the Polish Army in the USSR and the People's Army were united into the Polish Army. We also often say "the Polish People's Army," inasmuch as we wish to emphasize the character of our armed forces.

Current definitions of the armed forces include the concept that the armed forces are the forces and the means allocated by the state to protect its interests and to wage armed conflict. We are talking here not only about weapons, but also about an organization unique to the military.

The Armed Forces of the Polish People's Republic consist of:

--The Ground Forces
--The Air Force
--The Air Defense Forces
--The Navy

Each of these services of the Armed Forces is made up of various force and service branches. Take for example the Ground Forces which are earmarked for operations on land. They include mechanized and armored forces, air mobile and assault forces, rocket troops, artillery, air defences forces, engineers (sappers), chemical troops, ground force air forces, communications troops, radio and combat electronic forces, and others. Various kinds of service elements are also included in the Ground Forces. For example, health, clothing, and food provision services; these services provide the troops with everything they need, both during peacetime training and war.

The same troops and services may be found in the individual branches of the Armed Forces. For example subunits of chemical troops are found both in the Ground Forces, as well as in the Navy and the Air Force.

The Polish People's Army is made up of well organized branches of armed forces, including troops and services which lack for nothing.

As we have already mentioned, the Army is distinguished by its organization which ensures its operational efficiency and effectiveness. The Army can also be likened unto a pyramid; we will again turn to the Ground Forces for an example.

At the very base of the military pyramid there is the squad (a gun crew, vehicle crew, or a crew that services and maintains a technical piece of equipment); a squad is made up of several soldiers and is led by a squad leader (generally a non-commissioned officer).

Several squads make up a platoon which is commanded by a platoon leader, usually an ensign or a junior officer.

The next level of this pyramid is the company (in the Rocket Troops and Artillery, it is a batter); it consists of two to five platoons.

Several companies make up a battalion, the composition of which may also include support elements (sappers, for example). The battalion can be a part of still a larger military unit, the regiment.

The squad, platoon, company, and battalion are considered subunits, i.e., they belong to those military organizations which are called units. A separate tactical unit which has a commander, staff, quartermaster, and subunits is the regiment.

The next higher level of the military pyramid consists of tactical formations. These include brigades, which are made up of commanders, several units and subunits, and support elements.

The next higher tactical formation after the brigade is the division. The division includes: a commander and staff, several units, subunits, and support elements.

Who Directs National Defense?

The national defense is provided for by more than just military forces. The Armed Forces are the most important element, but not the only element of our defense system. From the previous lesson we know that the nation's armed might also includes the country's economic potential, administrative efficiency, etc. The direction of the nation's defense must include many areas. For this reason, the agencies directing national defense include political agencies of authority and state administration, and those social organizations and cooperative unions which undertake measures for defense needs overall.

Political Agencies

Overall direction of the state's activity in all areas, including defense, is provided for by the state's political power: The Polish United Workers' Party. The party cooperates with its allied partiers, the United Peasants' Party and the Democratic Party.

The highest party agencies which are directed by the resolutions of the national congresses, party conferences, and plenary sessions of the Central Committee set the overall concept of defense doctrine, the direction of defense policy, and the principles of operation for the defense system, the development and organization of the Armed Forces, and the participation of the public in the state's defense effort.

Agencies of State Power

As the highest agency of state power, the Sejm is also the ultimate decisionmaker in defense related matters. The Sejm's scope of authority includes the passage of laws which impact on defense matters. The basic laws of the Sejm in these matters is its Act of Universal Military Obligation to the Polish People's Republic.

The State Council is empowered to impose martial law and order mobilization. The council's chairman can also impose a state of emergency. During such times when the Sejm is not in session, the State Council can pass resolutions on a state of war with an enemy state or group of states.

The Council of Ministers is empowered to exercise overall supervision in those matters relating to national defense.

An independent agency, which has been entrusted with direct responsibility for the totality of defense and security measures, is the Committee for National Defense.

The committee's duties include:

--the establishment of general guidance in national defense;
--the review of the major problems in national defense and security matters and the delineation of the direction of efforts in this area, together with the totality of the country's socioeconomic development, and the realization of other national tasks;
--the introduction of a propsoal for the imposition of a state of emergency, or martial law, the ordering of mobilization, and the adoption of resolutions concerning war;
--the exercise of administrative functions in matters of national defense and security during the imposition of a state of emergency and martial law;
--the establishment of organizational principles for the Armed Forces, civil defense, and paramilitary units;
--the establishment of missions associated with the enhancement of state defense readiness and the supervision of these missions' accomplishment;
--the coordination of the actions of chief, central, and local agencies of state administration and the nation's economy in matters of national defense;
--the evaluation, supervision, and control of measures dealing with national defense tasks by agencies and organizational elements;
--the execution of other tasks dealing with national defense and security.

The Committee for National Defense is a collective body. It is made up of a chairman, deputy chairman, members, and a secretary.

The committee's chariman is appointed and relieved by the Sejm.

The committee's chairman exercises supreme authority over the Armed Forces of the Polish People's Republic. As the chief of the Armed Forces, the chairman is empowered to:

--determine (at the initiative of the Minister of National Defense) the key trends in the development of the Armed Forces of the Polish People's Republic and their training for national defense;
--express opinions with regard to candidates for the position of Minister of National Defense, chief of the General Staff of the Polish Army, and the commanders of the military districts and branches of the Armed Forces.

The Minister of National Defense commands the Armed Forces and directs their development, training, and readiness in the national defense effort. The minister's principle executive agency is the General Staff of the Polish Army.

Several duties in the area of the state's military defense are executed by the Minister of Internal Affairs; he is responsible for public safety, border protection, combating subversion, guarding economic facilities, etc.

Various other ministers, chief state administrative agencies subordinated to the Council of Ministers, social organizations, and cooperative unions also participate in the realization of defense tasks. Tasks in the area of civil defense are executed by the Chief of Civil Defense. His executive agency is the National Civil Defense Inspectorate.

Local Agencies of Authority and Administration

The people's councils help in strengthening of security and defense readiness in the local area, but direct control in these matters belongs to the provincial defense committees (WKO).

Defense issues are also resolved by local associations, enterprises, plants, and institutions directly subordinated to provincial governors and municipal chairpersons.

Thus, practically all agencies in our country are concerned to a certain degree with defense issues, although the scope of their actions varies.

12247/12232
CSO: 2600/208

DRAFT OF NEW PARTY STATUTES ANALYZED

Prague RUDE PRAVO in Czech 14 Jan 86 p 1

[Text] On Monday, RUDE PRAVO and PRAVDA carried the full text of the statutes of the Communist Party of Czechoslovakia, along with proposed amendments. The document will be submitted for debate to the 17th Congress of the CPCZ at the end of March this year. Now, the amended statutes of the CPCZ are being presented to the party and to the broad public for familiarization. The principle that the party bases its work upon broad knowledge among the populace and upon gaining the public for realizing the policies of the party is anchored in the statute proposals anyway.

The statutes fulfill an important mission equivalent to the fundamental law of internal party life and in the application of the avant-garde task of the party in its fight for realizing the policy line of creating a developed socialist society. The party statutes express the 65-year-old political, ideological, and organizational experience of our party, and they include even the most proven experiences of the Leninist party and those of other fraternal parties.

"The party," it is stressed in the statutes, "is guided in its work by a scientific world view, by the revolutionary teachings of Marxism-Leninism, which form the foundation for its policy and its everyday organizational activities. The party creatively develops Marxism-Leninism, decisively fights against all manifestations of bourgeois ideology, against revisionism and dogmatism, which are absolutely alien to revolutionary theory."

The proposed amendments express the requirement for the growth of the party tasks in the current era of creating a developed socialist society, demands for perfecting the style and methods of its work, the deepening of the leading role of the party in all sectors of social life. At the same time, they reflect the rich experiences of party organs and organizations, which confirm the long-term unchangeable validity of the Leninist principles and standards they contain.

The constantly increasing demands made upon the party and the growth of its influence in all spheres of social life raise the significance of party membership to a higher power. Today, involved attitudes and actions on the part of all members and candidate members are important and not just on the part of those who hold party or public office. That is why the proposal includes, among others, the provision that a communist has a duty to consistently press for and realize the policies of the party, to clarify it for the broad masses and to gain their support for its realization, to be in constant touch with people, to carefully take note of their views and needs and to react to them in a timely manner. A Communist must conduct himself and appear at all times as a Communist.

All-societal requirements also demand that the principle of social justice in accordance with working merits be promoted and, last but not least, that a decisive battle be conducted against the disruption of socialist legality, socialist morality, and other antisocial manifestations. A Communist must be an active, ideologically firm, and disciplined fighter for the party.

The proposed changes to the party statutes state that a party member is obligated to participate actively in the activities of his basic organization and to be coresponsible for the results of its work, to participate in the preparation of and conduct of membership meetings and in the creation and implementation of resolutions.

The strengthening of party discipline and the strengthening of the tasks of basic organizations is outlined by an additional important proposal, that is to say, the proposal that basic organizations of the CPCZ have the right--with the knowledge of the responsible party organ--to deal with cases of even those Communists who hold office in state, economic, or social organizations and who have violated party statutes and socialist legality. If these Communists are called to account for their actions by a higher party organ, that organ will inform the responsible basic organization of that fact.

The task of social and economic development of the country demands that the activities of party organs and organizations be constantly increased, requires that the party's influence be asserted in all sectors of societal life--in other words, it requires the universal perfection of party work. For this reason, the statutes stress that party organs and organizations apply Leninist principles and methods of management, assert the Leninist style in their work in all sectors of state, public, and economic administration. From the standpoint of contemporary tasks, this means that in these sectors materialness, a critical view, is to be asserted, deep knowledge is to be applied in solving complicated problems and demanding tasks must be assured. It is necessary to deepen work involving people, to hold the party and people accountable for work done, to consistently fulfill resolutions and tasks. Toward this end, it is essential to assure the unity of ideological, organizational, and economic activity, to see to the strengthening of state and work discipline.

The experiences of numerous basic party organizations confirm the importance of the right of party control as an important instrument for the political influencing of the economy. The correct and consistent application of this right affords party organizations more universal conditions for developing control activity--greater influence upon the assurance of economic tasks. The proposed statutes expand the right of control in additional agricultural enterprises, in scientific research institutes, in the housing economy, in communal services, in schools, in cultural, enlightenment, and health facilities. In this connection, the statutes contain, among others, a proposal giving the opportunity to all basic organizations which have the right to exert control to express themselves with respect to the nomination or recall of leading workers in the area of their jurisdiction.

The intent to apply the leading role of the party in state and social organs and organizations in a more intensive manner is addressed by supplementing the statutes by the addition of a fundamental principle covering the party leadership of these organizations: The party will direct the activities of these organs and organizations through the medium of Communists who work in them. In the chapter on the party and youth, it is proposed, in addition to existing provisions, to stress the duty of party organizations to care for the development of the Socialist Youth Association, to see to the fulfillment of its tasks as a representative of the young generation and of a soon-to-be fellow combatant of the party.

It is necessary to constantly deepen the knowledge of the statutes and to apply them in everyday political and organizational work. The importance of goal-oriented work involving the statutes is underscored by the fact that the ranks of Communists are expanding each year by the addition of tens of thousands of young people. However, no one becomes a Communist by merely being accepted into the party and by accepting a party card. And so, knowledge and the comprehensive application of the statutes is one of the fundamental prerequisites governing future increases in action capability and effectiveness of the work of fundamental organizations and the activities of Communists.

In the near future, delegates from okres and kraj party conferences will be expressing themselves with respect to the proposed changes in the party statutes. By their essence, the essential adjustments are aimed at strengthening the authority of the statutes so that they could fulfill their function under current conditions governing the activities of the party even better than heretofore and the adjustments are also aimed at assuring the necessary tasks in the future.

5911
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NEW RULES FOR NATIONAL ASSEMBLY: TALLY, DEBATE, NEGATIVE VOTES

Budapest MAGYAR HIRLAP in Hungarian 31 Jan 86 p 5

[Article by Balint: "The Legislator's Responsibility. A Meeting of the National Assembly's Budapest Delegation"]

[Text] The invitation that the deputies received was for an informal discussion. What is the deputies' most important task: legislation, the management of local public affairs, or the safeguarding of the citizens' interests? Is it possible to oversee the implementation of the enacted laws? How binding is a vote in committee, and how should the outcome of the committee's debate be reported to the full National Assembly? These and similar questions were raised at the Wednesday meeting to which Istvan Sarlos, the National Assembly's chairman and a member of the MSZMP Politburo, had invited the Budapest delegation in the National Assembly. Karoly Grosz, first secretary of the Budapest MSZMP Committee and a member of the MSZMP Politburo, attended the meeting.

By way of introduction, Istvan Sarlos raised several questions. In view of the fact that two-thirds of the deputies are freshmen, he reviewed the novel requirements stemming from nominating more than one candidate per election district, and from the new electoral system. One of the objectives had been to elect fewer top executives, professional functionaries, to the National Assembly. The population nevertheless nominated mostly qualified candidates in high positions, an indication of the public's more moderate confidence in persons with little experience in public affairs. The nomination of more than one candidate per election district means that there is a closer dependence between the voters and the deputies. After all, when there are two or more candidates to choose from, the citizen will follow more closely the work of the candidate he favored, and the deputy will hold regular briefings for his constituents. Istvan Sarlos emphasized that the holding of such briefings is merely a right, and not an obligation. But this way it carries more moral weight than if it were prescribed by statute or directive.

The deputy's primary task is the enactment of legislation. This entails attending not only the sessions of the National Assembly, but also the committee meetings to form an opinion there. Yes, but often the deputies receive the text of a bill just before the start of a session, while the national organizations and the central agencies concerned get their copies months earlier, protested Dr Frigyes Tallosi, the deputy representing Budapest's 24th election district. Istvan Sarlos promised that the deputies will receive the necessary documents a month before the start of the National Assembly's spring session. He requested the deputies not to be afraid to express their views, including possible objections, also before the full National Assembly, and not only before its committees. But most of all they will have to speak as briefly as possible and stick to the question. It will be possible to request the floor not only in writing before the start of a session, as up to now, but also by raising one's hand. Thus anyone who has something meaningful to say will obviously speak to the point even without signing up to speak.

How and why should a deputy put a question to the government? He should avail himself of this opportunity preferably only in matters of national importance. In matters of minor significance, the deputy may call on the minister or other official also directly. The question, too, ought to be brief. The deputy should not attempt to also answer his own question; he should leave that to the minister. Incidentally, the deputies should not be afraid to see opposing votes more frequently than up to now. This means that everyone makes up his own mind, in accordance with the interests of his constituents. The delegation from a given megye or region may also agree in advance on what standpoint to adopt and how to vote on this or that question. Professor Kalman Szabo, representing the 36th election district, wanted to know whether this might not be construed as factionalism. He also pointed out that the Presidential Council is assuming the National Assembly's role on many important issues, and thus several questions that would have required laws are regulated by law decrees. He requested that the National Assembly be given an opportunity also to oversee the implementation of the enacted laws. For example, business organizations are completely disregarding several sections of the Enterprise Law, as if they did not even exist. Peter Biacs (30th election district) cited the Environmental Protection Law as an example; its executory instructions have not been issued to this day. The chairman of the National Assembly replied that its operation has often been disrupted by failure to present to the full National Assembly the draft of the executory instructions, together with the considered bill, whereas only in this way can the two be compared and the possible contradictions identified.

Istvan Stadinger (6th election district), deputy chairman of the Budapest Municipal Council, asserted that the Budapest delegation is not sufficiently active in the National Assembly. The deputies are not showing initiative even on important issues. In his opinion, debate should be meaningful also before the full National Assembly, and not only in committee. Dwelling on the role of the press in reporting the proceedings in the National Assembly, Pal Gagyor (he represents the 13th election district) began by saying that he often had to yawn when watching the evening news summary on TV after a session of the full National Assembly. The many reports, in his opinion, do not present by far an accurate picture of a deputy's work. The reports on committee meetings are dull, and all newspapers publish identical reports on the proceedings of the full National Assembly. Istvan Sarlos replied that the National Assembly's Press Office will open on 1 February, which is tomorrow. Its task will be to organize and coordinate public information about the work of the National Assembly and its deputies. Pal Gagyor asked whether it will be possible to tally the votes electronically. The chairman of the National Assembly replied that such a system has been requisitioned, the money for it is available, and it will be installed sooner or later. It will be possible to use the system immediately to tally the votes on bills, resolutions, and questions put to the government.

Emil Pejak, the chairman of the Budapest delegation, also passed on some of the comments that had been made to him. Several deputies had requested that also the organizational and operational (mainly public administrative) questions concerning essential changes in macroeconomic management be submitted to the National Assembly in due time. Deputies should not have to learn from newspapers about important economic decisions and appointments. Istvan Sarlos recognized these requests as warranted and admitted that the briefing of the National Assembly's deputies still leaves much to be desired. Several deputies complained that the councils and other agencies are not observing the eight-day time limit within which they have to answer letters from deputies. But Emil Pajak, too, emphasized that the primary task of the deputies is to manage the nation's affairs, rather than to perform local duties that fall within the scope of the councils or the IKV [Real Estate Managing Enterprise].

As a "veteran" legislator, Kalman Szabo mentioned that during his long years in the National Assembly he does not recall a single informal meeting of this kind with the National Assembly's officers. Such meetings are an important source of information, for the more experienced deputies and the freshmen as well. In his summation, Istvan Sarlos noted with satisfaction that many practical questions have been raised at the meeting, questions of the kind that rarely can be considered in committee or by the full National Assembly. It would certainly be useful if the other megye delegations held similar discussions on the conditions, means and further possibilities of the deputy's vocation. All this makes for the greater effectiveness of the National Assembly's work.

1014
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POLITICS HUNGARY

DEPUTY VOTING AGAINST 1986 BUDGET INTERVIEWED

Budapest HETI VILAGGAZDASAG in Hungarian 4 Jan 86 p 5

[Interview with Deputy Istvan Avar, by Gyorgyi Kocsis: "Opposing Vote"; date and place not given; first paragraph is HETI VILAGGAZDASAG introduction]

[Text] In their coverage of the proceedings in the National Assembly, the newspapers reported: "With one opposing vote, the National Assembly passed, both in principle and its particulars, the bill concerning the 1986 budget of the Hungarian People's Republic and the 1986-1990 medium-range fiscal plan of the councils." The subordinate clause at the beginning means that Deputy Istvan Avar, the actor (aged 55), voted against next year's budget. We asked him: What were his reasons for doing so?

HVG: Nearly 400 deputies voted for next year's budget. You alone voted against it. Why did you cast a negative vote?

I.A.: I have not the slightest intention to speak out on fiscal matters with which I am not familiar. I nevertheless decided to vote against the bill because, in my opinion, the 5-percent rise of the consumer price level projected in the 1986 budget does not reflect reality. I am not an economist, but I do walk the streets, buy in stores, and talk a lot with people. When I face my constituents, they raise hard questions, and I have to answer them truly. I believe that our society is mature enough to be told frankly that this year prices will go up, say, 10 percent. People accept this more readily than when they are given a lower figure, which they eventually find too low. There was also another reason why I voted against the bill: I did not know in advance about the specific price increases. For the deputies who are not on any of the economic standing committees--I myself am on the Cultural Committee--have no advance knowledge of such things. Of course, we did get a number of important, confidential documents to prepare for the session. But these details were new to many of us.

HVG: Did your opposing vote cause a sensation?

I.A.: Actually it did not. Anyone who was in the National Assembly when this part of the budget speech was presented can testify that some of the deputies were grumbling. Incidentally, my opposing vote went practically unnoticed.

HVG: In your opinion, does it take courage to cast an opposing vote in the National Assembly?

I.A.: No, it does not require courage! But strangely enough and to the best of my recollection--I have been a deputy for 12 years--such economic bills have always been passed unanimously. I would like to make clear that my opposing vote has not been motivated by a desire to be conspicuous or in the limelight. I have ample opportunity to appear on stage. It has been cast because, in my opinion, we ought to show this society the courtesy of greater frankness. Furthermore, I wanted to call attention to something that has become perfunctory, to the voting.

HVG: Why did you not request the floor at the session? Why did you not present your contrasting opinion there?

I.A.: It is customary for deputies to indicate before the start of a session that they will want to speak. Because I just learned of the objectionable provisions there, I would have been able to raise my hand only then. There is no precedent for requesting the floor in this manner, even though no rule prohibits it. Finally I decided to vote against the bill because I felt that if I am not sitting there as an enemy, then why should I conceal my opinion?

HVG: You mentioned that you have been a deputy for 12 years. Have you cast an opposing vote at any time before this?

I.A.: Only once. I had been in the National Assembly for perhaps a year. A teacher from the provinces put a question to the minister of transportation and post. The deputy who put the question accepted the minister's reply. I did not.

1014
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NEGLECT OF EDUCATION COULD BE POLITICALLY EXPLOSIVE

Budapest MOZGO VILAG in Hungarian No 12, 1985 pp 70-76

[Article by Szabolcs Szunyogh: "A Lost Generation?"; footnote 2 missing in original text]

[Text] So far the general public has not perceived how dangerous the so-called demographic wave is. With respect to the current school situation, the abnormally large number of children has weighed heavily only on the public elementary school, i.e., it has weighed more or less equally heavily on everyone, on every student. There are, of course, exceptions: public elementary schools can be found where the conditions are much better than the average, where the number of pupils per class is smaller, where the supply of specialized teachers is complete, etc. But the quality of education--in short, the connection between the parents' station in life and the opportunities for earning a living offered by the school--is incomparably more pallid than it was in the autumn.

The fact is that kindergartens are becoming less crowded. Fourteen thousand fewer children were enrolled in these establishments than last year, so the wave is already subsiding in this sense. Seventeen thousand more children nevertheless attended public elementary school than during the previous year, but the number of first-graders--and this is the noteworthy thing--is smaller than that of second-graders, in other words, last year's first-graders, by about 9,000. That is to say, the demographic wave trough has already reached the public elementary school, and the wave is now rising before the entrance gates of secondary educational institutions.

(This "now" is, of course, a rather vague temporal adverb. It happened during the past academic year that the number of students per high school class was raised to 35 or 40 to no avail: there were simply no schoolrooms for some classes. At Margit Kaffka High School, for example, some classes were held in the dining hall, the gymnasium, even the corridor.)

So far the demographic wave has exerted uniform pressure on everyone, because there is only one kind of public elementary school. There are three kinds of secondary educational institutions, however, or to be more precise, three and a half: high school, vocational training institution, specialized secondary school, and the technical school which in some places is combined with it. The cultural government wants to "carry off" the demographic wave through the vocational training institution, obviously because this is the cheapest solution.

Instruction at the vocational training institution does not last 4 or 5 years, the way it does at the high school and the technical school, but only 3 years. Furthermore, these 3 years are actually only 2, because the students largely spend the last year in workshop practice.

So the high schools and the specialized secondary schools do not receive the bulk of the money. The developmental resources are not "concentrated" there, and consequently the children of parents who advanced to their station in life from the high schools are in an instant squeezing everyone else out, no matter how talented that "everyone else" is. The battle is beginning for admission to high school, which means an opportunity for further education: this battle will end in defeat for the majority, and this will cause as much tension as a 15-percent price increase before Christmas.

In connection with the wave, the critics usually and quite correctly bring up the government's responsibility. They reel off the bad decisions--for example, regionalization--and urge the local leaders to make more courageous use of various stopgap measures: provide instruction in a foundationless barrack, build schools from FORFA and BETONYP elements, or use the half-empty cultural centers for educational purposes. Apart from the fact that I completely agree with all this and that I include on the list of available places the district offices of the Youth Guards and the Communist Youth League, I would quickly add that I do not intend to harp on the school situation caused by the demographic wave. This is a pedagogical bone from which the justifiably enraged investigators have already gnawed everything gnawable. For me the only thing important to establish is that birthrates in recent decades have risen and fallen as a consequence of life outlooks and central measures which seek to improve the birthrates, but the development of conditions in the schools has borne no relation at all to the fluctuation in the number of persons per age group who attend school.

"Let us take the year 1957 as an example," writes Katalin Csato. "At that time the birthrate declined rather drastically, by 13 percent compared with the previous year and by 26 percent compared with 1954. This age group started school in 1963. The number of students per classroom was 46.6, higher than in 1960-61. The year 1962 was the low point with respect to birthrates, 12.9 per thousand inhabitants. (Only in 1982 do we encounter a similarly low rate.) Nevertheless, when these children started school in 1968 and the number of first-graders, roughly 140,000, was the lowest in nearly 2 decades, the number of pupils per classroom was still around 40...The schools experienced even the demographic low point as a demographic peak." (Footnote 1) (Katalin Csato, "Is It Possible to Plan a School for Demographic Peaks?" KRITIKA, 1985, No 1)

In other words, it does not simply boil down to the fact that some educational decisions proved to be wrong or that the cultural government did not possess adequate foresight in certain cases or even that shortage of money is the source of problems, because educational conditions did not improve sufficiently even when fewer children attended school. The supply of teachers--the most important condition for instruction--has constantly been curbed by the permanent restrictions on those who participate in education.

To be more precise: whether it is a question of teacher training, better lighting, more modern educational equipment, or construction of buildings, the money spent on educational matters expresses with utter clarity the trust society places in its own future or the ability of society to look after its future under the pressure of everyday circumstances. It is a very big problem, among other things, if society yields to the pressure of circumstances and attempts to overcome its troubles with the help of a fire extinguisher, because this causes errors of identity. Direct outgrowths of the identity mixup are: an intellectual vacuum which manifests itself in the propagation of the most diverse aggressive customs; apathy and the spread of polarized extremist views; or--let us take an example from somewhere else--a population decrease which spontaneously curtails society's regeneration.

If the government spends a lot of money on schools, it confirms the people's feeling that the leadership can surmount daily problems and can think in terms of at least a decade at a time. This feeling, if it existed, would be an important factor in political stability.

During the past year, 1,429 teachers left the teaching profession. This number is much more serious than the number of university students who do not become teachers. These fourteen hundred persons tried to earn a living as teachers and did not succeed. No one can say how many of the fourteen hundred left the teaching profession for financial reasons and how many departed because of a conflict between reality and their ideals. Even though there are obviously those among them who are better off if they do not teach, for one reason or another these fourteen hundred teachers sought other work, and the community of teachers is poorer because of those persons who had the strength to change. It is impossible to estimate to what degree the professional standard of those who have remained in the field and, of course, their human productivity have declined because of catastrophic working conditions and teacher salaries which trail those of other white-collar professions by 8-15 percent.

Teachers are in short supply and, if we can believe the forecasts, they will remain so. Will the supply of proficient teachers with university degrees be 74.5--77.6 percent in the year 2000?

The backlog in school construction can be explained by financial reasons, but why the number of those admitted to teacher-training facilities is not increased can hardly be justified by the budget's empty pocketbook. There is no doubt that more teachers could be trained, and the expenditure increase cannot be compared with the price of building a school (each classroom costs 2.5-4.0 million forints).

This year, cautiously and to a slight degree, the number of those admitted was raised. Apart from this, the counterarguments continue to reign.

According to them, higher education in Hungary differs from the university system of the advanced industrial countries in that here the number of those admitted is attuned to the manpower needs of the people's economy. It is not stated but it is unambiguously suggested that the state accepts responsibility for finding employment for certified graduates of universities. That is why no more students can be admitted than there will be a need for (as graduates) in 4-5 years.

According to this logic, the university is similar to those sectors of the service industry--be it a question of cambric, taxicab, or commerce--which consider it their task to cater to the people, not to obtain a profit. To this the people rightfully reply that the paternally provident aim of commerce is pleasing, but since it is not free and since merchants do business with us for our money, we certainly would not mind if in place of their otherwise sympathetic concern they ran their businesses. I enter a store and buy something for my money; the salesman, however, sells; and we should remain on these terms. If the salesman is promoted to a supplier, then he immediately becomes an authority, and as an authority he nonchalantly declines responsibility for the entire mixup in supplies, alluding to the objective difficulties and asking the people to please recognize his good intentions. The people cannot really do much else in this situation, or rather they can decide not to recognize his good intentions, even though this does not change anything. If, however, the commerce ventures out onto the market and begins to do business, then the buyer enjoys all those positional benefits which devolve upon the customer in the customer-salesman relationship.

Maybe this logic is acceptable in the case of grocery stores, runs the usually offended counterargument, but it is hardly serviceable in the matter of higher education. The university cannot regard as an equal (if you please) business partner the youth who takes an entrance exam and chooses a career, partly because education is free in contrast to the grocery store, partly and mainly because every danger of movement in the labor market would be shifted to the students, and this could cause innumerable tragedies. After all, at the time they select their careers, persons take into account the profession's prestige which has developed over the decades and not what the likely manpower situation will be in 4 or 5 years according to various official forecasts. It could happen that many university graduates would not find themselves jobs, so it is in their interest not to be admitted to the university.

Aside from the fact that this line of thinking views human beings as incapable of making decisions regarding the most important questions of their lives and aside from the fact that this line of thinking seeks to compel a state of irresponsibility upon young people who are choosing careers, it is not at all necessary to concern oneself about employment opportunities because the state guarantees a job--in short, aside from all this, the logic is weak in its most important points. Because what the state guarantees is not what the university students regard as an employment opportunity, and justifiably so: a job teaching in Biharugra, let us say, is not an acceptable offer of employment for a youth born and raised in Budapest. Furthermore, the fact that university education is free imposes burdens which are more and more difficult to bear for families of medium--or let us put it this way: average--income.

The main problem with this line of reasoning is not, of course, that it is disputable but that it suggests rather than states the essential counterargument. The fear of overproduction of intellectuals probably prevents a radical increase in the number of teacher trainees. Let us immediately add that this fear is not unfounded. A class of university graduates without jobs, if it is a class large in number, carries with it the danger of political instability.

That not as much has been spent on education's infrastructure as should have been can be explained by the fact that not as much has been spent on any sector as should have been. But that the number of teacher trainees has always been kept below what is needed can only be explained by a lack of confidence in the unemployed university graduates. And thanks to this lack of confidence the situation is substantially worse than it might be, and this is good because it drastically reminds us that the generation of the demographic wave is a dangerous generation. Time bombs are ticking away among its ranks, and it is good that this ticking is now louder than it might be. The bomb which is ticking, namely, can still be defused.

Quite apart from the errors in pedagogical leadership, there are actually more of these children than Hungary in its present condition can honestly teach. Not only is there a shortage of public elementary schools for them, there is also a scarcity of secondary schools, there will not be enough universities, and they will not find satisfactory jobs for themselves.

There are, of course, frightfully few of these children. They are the minimum: at least as many persons are needed annually in order for there to be 10 million of us--and since the wave-trough generation continues after them, the country's population is declining.

What it does not boil down to then is that the cultural leadership would make some catastrophic mistake if it adapted the school system to the "demographic peak." From the viewpoint of society's regeneration, this peak is no peak at all but rather, let us say, a lowland. And behind the lowland is the precipice.

In an age of pursuit of supremacy, was it the general line of thought that a country's number of inhabitants was a value in itself? For every human being of sound mind, history has definitively refuted the reality of pursuit of supremacy. I do not consider it likely that owing to the dream of a Hungary with 40 million people the general public finds it painful that in a few years there will not even be 10 million of us. It does not just come down to the fact that the country's number of inhabitants is an essential factor in the country's self-preservation even though, perhaps, this is not as foolish a claim as it appears in the mirror of many setbacks in self-protection over the centuries. I believe that there really need to be as many of us as possible because the more persons a country consists of, the more trends, lifestyles, and forms of social conduct it can evolve and the better it can turn into a laboratory for solving the problems which afflict all mankind, or to put it more simply: for a small country it is a sufficiently heavy burden if it wishes to take reality upon its shoulders and collapses. Without this requirement, it is not possible to live, only to more or less vegetate.

Given the economic situation, it is also dangerous to have too many people: because of unemployment in the factories, productivity declines, the jobless spill out into the streets, incomes are reduced due to the deterioration of productivity and the scarcity of jobs, and the people become angrier and angrier. In this mutinous domestic situation, however, only he who is unskillful does not fish, and it is the experience of this country over many centuries that the fishermen are not unskillful.

Mentioned in the introduction, the conflict which is erupting between the secondary schools and the demographic wave now makes perceptible what kind of social tension this conflict will soon cause: the kind which can become political at any moment.

There are two solutions to this national overproduction of people. One is emigration, and the other is prosperity.

It can be explained as a national tragedy of destiny if another 1 or 2 million persons stagger into America. If, however, it does not concern Hungary but rather, let us say, Italy, Turkey, Suriname, Portugal, etc, then one calmly acknowledges that once there is a world market, then labor and capital move around in that market, and this is proper from the standpoint of capital, labor, and the world market. Indeed, even the home country receives certain minor advantages: through emigrants, it becomes more strongly linked than before to international economic life, it can count on a definite inflow of currency, and by granting permission to emigrate, tension is eased, and the boiler is allowed to release its possibly explosive steam.

It is thus almost completely certain that leaders who let themselves be driven into a tight corner will turn to emigration as a last resort, if no other course is open.

Emigration does not, of course, solve the problem of educating growing numbers of children in various age groups, because children cannot, after all, be let out into the big, wide world to try their luck. The manner in which the question raised by the demographic wave is answered will not only influence the public mood during the next few years but at the same time, by way of experimentation, will serve as a lesson for solving the problem of growing numbers of adults in various age groups.

"We have no mineral treasures, no significant energy resources, we have nothing except human beings," said a Japanese professor. (Footnote 3) (Andrea Karpati, "The Japanese Miracle--the Miracle of Education?" PEDAGOGIAI SZEMLE, 1984, No 6) It is fairly well-known that the miracle of education laid the foundation for and preceded the miracle of Japanese industry and of the entire Japanese economy. I personally dislike this miracleworking Japanese school system. Partial observations can surely be accepted, but I hold that the militarized educational system with whose help the battle (declared in 1872) against illiteracy was won by the Meiji restoration in a way which spoke to the world in 1907 leads to aggression, excessive national self-appreciation, and the servility which accompanies it. "The nationwide campaign of modernization swept away the small private schools, and more productive 'people factories' took their place. The teacher took his seat on the platform, and the students in their black uniforms--like a faceless army--looked up at him. The military code and the law which defined the schools' curriculum and operational order appeared at the same time in 1890. Several historians of education have pointed out that not only the date of appearance but also the style and content of the two imperial documents are similar." (Footnote 4) (Ibid.)

One sometimes has the feeling that some teachers in our country, too, are tempted by this type of mass education. Maybe this possibility has not turned into a broader trend because they are unable to fulfill the role of teacher reigning at his platform or of overworked mother/schoolmistress of the definitively feminized profession of teacher.

Let us venture a heretical thought and assume that some of the more successful reform ideas in economic life could also be applied to education. Society should be offered an opportunity to produce as many better schools as it can undertake. (At the same time, this would serve as a basis of comparison: are family budgets more willing to sacrifice significantly more for the future, for children's education, than the state budget?)

Instead of elaborating the plan for the faculty association school and in place of details about legal and financial regulations, such a short essay can only undertake to sketch the basic formula for a possible model. According to it, teachers who work in the association school would not receive their salary from the state, and the local budget would guarantee only the operating conditions: the building, heating, lighting. Each student pays a tuition fee of--let us say for simplicity's sake--500 forints a month. Without deductions for taxes, etc, this would mean a monthly salary of 10,000 forints for the teachers, if there are 20 students per teacher in the school.

In connection with association schools, a person who has grown up with democratic traditions will offer nothing but counterarguments at the outset. After all, this would mean in practice the reintroduction of rating (voters) according to property qualification: he who has the money to pay the tuition fee can send his child to a much better school and offer the child much broader opportunities for earning a living, and thus, from the students' viewpoint, an utterly unjust difference arises among students.

Then there are the less frequently expressed counterarguments. Let us try to put them into words. With the creation of association schools, there may occur in the state education monopoly a rift which in itself is now utterly harmless perhaps, but all it takes is a swing of the ax-blade to fell the tree. Finally, even today there are elite schools, but admission to them is not determined by who can pay the tuition fee--after all, many can pay the tuition fee, and therefore there are few of these elite institutions--but by the parents' contacts. And since up until now--as a job perquisite, so to speak--these parents received better learning opportunities for their children, they would feel deprived of a right (privilege) they had acquired if they were now suddenly forced to pay. Seldom do people voluntarily renounce rights they have acquired. As a result, it is utterly useless to put the idea of association schools to the test, because by citing democratic arguments the beneficiaries of the present, less democratic system of elite schools would in any case immediately torpedo this more democratic system of elite schools.

Let us look at what arguments can be advanced in favor of the association school. For all practical purposes, I have already refuted the first counterargument: a property census is much more democratic than a census based on contacts and, moreover, this sum of money is not so high that it excludes very large throngs of people. It might be possible now to examine at great length the structure of consumer behavior in various social classes and--aside from the fact that it holds out bright prospects for a well-developed small doctor's apparatus--it may demonstrate what everyone knows, namely, that white-collar workers spend more money on intellectual products than do those in non-white-collar professions. At the same time, of course, it is well-known that the general population, oftentimes struggling with basic financial problems, is today spending greater and greater, even enormous, sums on books and records--and this is not characteristic of just white-collar occupations.

Two poles: even among those who could attain it (not on the American scale, of course), the American-style consumer life model, i.e., a life model which pursues only economic symbols, is not common. Instead we can observe a revival of the traditionally European lifestyle. Its essence does not lie in spasmodically increasing the living standard but in making the quality of life more human, i.e., in the production and consumption of cultural goods. On the other hand, it is well worth seeing how great the number of students from traditional blue-collar-worker districts is who apply to music school, or how more and more municipal elementary schools offer English lessons, and that if people who belong to the more modest income classes ever once and for all overcome their most oppressive financial problems, they would spend gigantic sums on their children's education. I believe they would spend much more if there were more plentiful opportunities.

I add somewhat timidly that there is also family responsibility. From the children's viewpoint, a genuinely unjust disparity in knowledge arises among students if one family forgoes a vacation in Spain and buys a Trabant not a Zsiguli, or buys no car at all, but provides for the children's education with the money thus saved. Question: from the families' viewpoint, is the disparity which thus arises among the students' level of knowledge unfair? Should we stop people from being able to spend what little money they have on better schools for their children? In comparison with how astonishingly weak their knowledge is, children spend an astonishingly large amount of time in classrooms. Nowadays the family can counterbalance this weak knowledge only by financing private lessons: why could it not finance the school itself? The parent who spends his money on luxury articles--not necessarily alcohol but a plot of land, a summer vacation, a bathroom with purple tiles--would like to prevent the neighbor's child from being better educated than his own and then becomes indignant when the neighbor, who does not yet have a bathroom with purple tiles, provides his child with more thorough knowledge. He who is concerned not with nullifying another person's potential but with developing his own can only applaud the prospect of establishing a better school.

I do not dispute that these teacher association schools offer the children surplus opportunities. Preventing the emergence of surplus opportunities is justified only in the event that the surplus is realized to the overall detriment of others. This, however, presumes acknowledgment of the fact that local schools financed with public funds cannot provide their students--due to their weak level of knowledge--with even the minimum chances of earning a living.

And it may be that there is something to this. But the association schools would have not a negative but actually a positive impact on the local schools: the councils would have more money to pay the teachers, i.e., the teachers would be compelled to work less overtime, and perhaps the degree of their overfatigue would be reduced. Moreover, the better school is an attracting force. (Here the ax-blade theory can be addressed. The association schools, since their existence is in the direct financial interest of their teachers, would take much more scrupulous care than at present not to provide a surface for attack: if anywhere, then here the subject matter which the law prescribes--and only that subject matter--would be taught. But here perhaps it would also be taught.)

The basic concern is that there is no more money, nor is there more money for paying the teachers. On the other hand, without an immediate and radical increase in the number of teachers, not only is it impossible to improve the opportunities for further education but even a swift deterioration cannot be prevented. The utilization of the inhabitants' financial strength and the prospect of a monthly income of 10,000 forints would obviously bring a lot of persons with teaching credentials back into the schools.

Many good secondary schools are necessary because otherwise there will occur what the plans for "carrying off" the demographic wave consider proper: perhaps voicing anger, perhaps uttering profanities, the majority of those who finish the eighth grade will enroll in the vocational training institutions.

And this is a very big problem. Aside from the fact that many talents would go to waste and aside from the fact that this seemingly very large age class--together with those 1 or 2 years younger--would have to support many more pensioners, in short, its skillfulness (its productivity) would have to be much greater, aside from all this, I ask: if this swarm of children enrolls in the vocational training institutions, what will we do with so many unemployed skilled workers 3 years from now? After all, unemployment within the factory gates is already enormous.

The more secondary schools we have, the fewer teachers there are who have no job or who are compelled to seek another career, provided that it is possible to obtain a salary acceptable by today's standards.

The more secondary schools there are, the more time we gain. The majority of children from high schools will try to get into institutions of higher education: another 4-6 years. Provided, of course, that the number of those admitted is not kept at a ridiculously low level. It is written in an essay analyzing the prospects for admission that "the present situation of advanced learning unequivocally contributes to the rigidification and conservatization of our society." Nevertheless, an economic upswing and a society's conservative shift can only be encountered in shades of militarization.

The solution to the problem of the age group now entering secondary school is valuable as a model. Only with respect to its essence, naturally, is the lesson valid for the economy or for all the other sectors of society. Perhaps the lesson could be formulated thus: today our society's problems can only be solved by broader and broader freedom which mobilizes human capacities to an increasing degree. And human freedom can assert itself in society only if society does not shrink from taking expedient measures, only if society wants to assert freedom, not the watchwords of freedom. Solving the livelihood problems of the demographic wave generation through emigration is to be avoided. Those valves and taps must be found through which the fresh air of freedom can reach, more swiftly than at present, society, education, and the economy. This is not a disavowal but rather a confirmation of process control as applied science.

12327
CSO: 2500/188

POLITICS HUNGARY

EUROPEAN 'PEN' TO MEET IN BUDAPEST IN SEPTEMBER

Budapest MAGYAR NEMZET in Hungarian 22 Jan 86 p 5

[Interview with Istvan Bart, Chief Secretary of Hungarian PEN Club, Writer and Translator by Jozsa: "To Protect Writers" Solidarity; About PEN's World Congress"]

[Text] The PEN Club was born as a peace organization more than 6 decades ago. Writers joined its ranks in 1921, shortly after World War I, and the charter created then faithfully reflects the fact that it was written in a Europe divided into conquerors and conquered. Since then PEN has been trying to adhere to the principle of unity between world and national literatures and writers' solidarity. The only world organization at the present time for writers held its annual congress in New York last week. The Hungarian PEN Club was respresented by its chief secretary, Istvan Bart, writer and translator.

Writers from all corners of the world have gathered for the 48th time--says Istvan Bart--about 700, with giants among them like Abe Kobo, Norman Mailer, Claude Simor, Vang Meng, Guenter Grass, Hans Magnus Enzensberger, Sven Delblanc, Mario Soldati, Susan Sontag, E. L. Doctorow, Saul Bellow, Kurt Vonnegut, William Styron, Bernard Malamud, Ryszard Kapuscinski, Isabel Allende, Alan Ginsberg and Vasco Popa. The conference was held at two levels: the official conference, conducted by the executive committee of PEN, was held in the St. Moritz Hotel behind closed doors, with each member organization represented by one, or maximum two individuals, while in the adjacent hotel and several other places there was a fantastic wealth of supplementary activities. Morning, noon and night readings were given for the attending poets, writers, and public as well, as so-called round table conferences were held in which 4 or 5 writers read their 5-10-minute essays on predetermined topics, usually followed by debates, before an audience of 200-250, comprised of American PEN members. Among other topics, one topic emerged this year that was particularly difficult to define and interpret, and indeed it embarrassed the majority of the speakers. Its title was: "The Image of the State, and the Image of the Writer." Two-to-three round table conferences were scheduled for this subject, and Pierre Trudeau and Bruno Kreisky were invited to attend the last one. But aside from this, the program's subjects were extremely varied, debates were held about the state of artistic translations, women writers and women's literature, the state of national identity, and much more. Sometimes we witnessed noisy scenes, Norman Mailer, for instance, got into the crossfire of angry accusations by women writers, and the mildest description he received was "male chauvinistic pig."

[Question] I assume the closed meeting of the official congress was less dramatic.

[Answer] So much so that American newspapers and press agencies reported strictly the public events in the belief that those were the PEN congress. The executive committee and PEN Club delegates discussed issues that were totally independent and different from the above. We discussed the internal matters of the organization, among them financial matters, of course, and the issue of our ties to UNESCO, since PEN receives considerable subsidies from UNESCO. Pert Wastberg, Swedish writer resigned his post of international chairman, and the congress unanimously elected Francis King, English novelist and short story writer, who, as a member of the British delegation came to Budapest recently to attend a cultural forum. Partly due to the presence of Nadine Gordimer, international co-chairman of PEN, the most interest focused on the situation of South African writers, but much attention was given to the circumstances of Philippine writers, the activities of the underground PEN in Turkey, the possibility of estalbishing a Turkish PEN Club in exile, the harrassment suffered by Puerto Rican writers from the FBI, the imprisonment in Iran of a French journalist, and much more. The international PEN brought a resolution to ask the government of Great Britain to re-examine its decision to withdraw from UNESCO. The executive committee is establishing a fund to assist persecuted writers. The general assembly unanimously condemned the violation of cultural rights of minorities. A recommendation was made to establish a Jordanian and a Guatemalan PEN Club in exile.

[Question] The Program and Translation Committee of the International PEN Club has a Hungarian chairman, Ivan Boldizsar. Did this committee have a session in New York?

[Answer] It had its most interesting session so far together with the translation committee of the American PEN. Unfortunately, Ivan Boldizsar could not participate. We submitted a theoretical declaration to the meeting of the executive committee, to set up ethical rules for publishers and translators. Our lengthy debates reflected the chaotic conditions in the world for translations. In several countries artistic translators live and work unbelievably defenselessly. Copyright issues are not resolved. The sample contracts we recommend are only going to improve the situation if they are going to be implemented, and we do not have any illusions.

[Question] The press reported that the International PEN Club plans to have a European regional conference in September in Budapest.

[Answer] The host is going to be the Hungarian PEN Club, just as the Hungarian government was the host of the cultural forum. The goal of the meeting, to be subsidized by UNESCO, is to disucss the recommendations submitted in the literature workshop of the Budapest cultural forum, as several of them are of interest to the International PEN. We would primarily like to bring up the most important Hungarian suggestion at the forum; we are going to recommend that this regional PEN conference put on its agenda the issue of disseminating lesser known European cultures and languages, and this, of course, fits into the larger issue of literary cooperation in Europe. Incidentally--to return to New York for a moment--M'Bow, the chief director of UNESCO, also participated at the congress, and after his speech, answering a question, assured the regional conference in Budapest of his support.

12366/12795
CSO: 2500/183

NEW 'SECRETARY OF STATE' POSITIONS IN VARIOUS AGENCIES

Warsaw MONITOR POLSKI in Polish 6 Dec 85 item 245 p 439

["Resolution No 177 of the Council of Ministers of 15 November 1985 on Establishing the Post of Secretary of State in Some Agencies of State Administration"]

[Text] With a view to ensuring integrated implementation of priority goals of special social or economic significance, the Council of Ministers decrees the following on the basis of Article 11, paragraph 1 of the law of 12 November 1985 on changes in the organization and scope of responsibilities of certain main and central organs of state administration (DZIENNIK USTAW No 50, item 262):

Article 1: The post of the secretary of state is established in the following agencies of state administration:

1) in the Ministry of Construction, Spatial and Communal Economy--with responsibilities for the development of materials production for construction and communal economy,

2) in the Ministry of Finance--with responsibilities for the financial systems of the units of socialized economy, price policy and financial planning and auditing in these units,

3) in the Ministry of Agriculture, Forestry and the Food Economy--with responsibilities for forestry, timber management and forestation,

4) in the Chancery of the Council of Ministers--with responsibilities for the structure, methods of operation and cadre management in state administration as well as the oversight of the local organs of state administration.

Article 2.1. In ministries where the post of secretary of state is introduced the latter discharges the responsibilities of the first deputy minister.

2. The scope of responsibilities of the secretary of state is outlined in the statute of the ministry.

Article 3. The resolution takes effect on the day of publication.

Chairman of the Council of Ministers: Z. Messner

9761/12232
CSO: 2600/229

RESOLUTION ON CITIZEN OVERSIGHT COUNCILS FOR UNIVERSITIES

Warsaw MONITOR POLSKI in Polish 6 Dec 85 item 243 pp 437-438

["Resolution of the Council of State of 30 November 1985 on the Scope and Mode of Operation of Citizen Oversight Councils of Universities"]

[Text] On the basis of article 5 paragraph 3 of the law of 4 May 1982 on university education (DZIENNIK USTAW 1985, No 42, item 201) the Council of State decrees the following:

Article 1.1. Citizen oversight councils, henceforth referred to as "citizen councils," set up by resolution of a relevant provincial national council and operating on all or individual university campuses situated in the province work to establish a closer bond between universities and the public as well as the economy and culture of the region in accordance with the guidelines laid down in the present resolution.

2. An appropriate provincial national council setting up a citizen oversight committee for universities should reach an understanding with the provincial national councils interested in its activity, especially if organizational units of the university in question operate on their territory.

Article 2.1 Specifically, the following fall in the scope of activities of the citizen councils:

1) analyzing the state of university education, its needs and opportunities for its development in the region, and contributing the views and requests in this matter to the socio-eocnomic and spatial plans and budgets of national councils;

2) carrying out social control and evaluating the operation of universities, especially the discharge of their responsibilities in upbringing in accordance with the constitutional principles of the socialist state;

3) taking measures aimed at organizing assistance to the universities in improving their base of assets and at encouraging enterprises to this end;

4) indicating the problems of significance to the region, initiating R&D activities and practical actions by the universities as well as suggesting avenues of development for this research, scientific-technical progress and training of cadres meeting directly the socio-economic and cultural needs;

5) advancing views and suggestions as to the use of the R&D potential of the universities for the purposes referred to in point 4 and initiating the actions by universities with a view to using in practice the results of their R&D work as well as in the field of efficient management and proper use of the assets of universities, including that for non-scientific purposes;

6) promoting and developing direct ties with the community at large, including especially other colleges, social organizations and enterprises as well as offering opportunities for mutual service and comprehensive cooperation;

7) initiating activities by the organs of state administration which enable university graduates to obtain employment commensurate with their qualifications.

2. In meeting the goals set in paragraph 1, the citizen councils make use of information, reports and studies provided at their request by the presidents of universities as well as those prepared by the organs of the provincial national council.

Article 3. While meeting the goals outlined by the provisions of article 2, the citizen councils adopt opinions and recommendations which are submitted to the relevant provincial national councils and organs of state administration as well as the universities.

Article 4. The citizen councils are nominated for the duration of the terms of provincial national councils.

Article 5.1. The number of members of the citizen council should be commensurate with its areas of responsibility but should not exceed 30 persons.

2. The chairman and members of the citizen council are nominated and recalled by the provincial national council at the request of the presidium of the latter council.

3. The citizen council elects a presidium, which consists of the deputy chairman and secretary along with the chairman.

4. The chairman of the citizen council manages the work of the council and calls its meetings.

5. Relevant university presidents are invited to take part in the meetings of the council.

Article 6. Before the end of November of every year, citizen councils report to the presidium of the relevant provincial national council on their activity and on using the reviews and implementing the recommendations referred to in article 3.

Article 7. Citizen councils adopt their statutes detailing their operation procedures.

Article 8.1. The office of the provincial national council which has nominated the citizen council renders organizational and technical support to the latter.

2. Members of the citizen council residing outside its venue are entitled to allowances for the time spent in meetings or carrying out their assigned responsibilities outside the place of residence and to a refund of travel expenses in accordance with the guidelines for the employees of state administration.

3. Outlays entailed by the operation of citizen councils are financed from the budget of the relevant provincial national council.

Article 9. The resolution takes effect on the day of publication.

For the Chairman of the Council of State: T. Mlynczak

9761/12232
CSO: 2600/229

REVIEWER ADVOCATES ECONOMIC STABILITY BEFORE 'DEMOCRATIZATION'

Warsaw PRAWO I ZYCIE in Polish 14 Sep 85 p 11

[Article by Kazimierz Z. Sowa: "The Crisis and Society"]

[Text] Problems relating to the economic, social and political crisis, which began to trouble Polish sociologists even before August 1980 and which almost fully engulfed the science of sociology during the Sixth Congress of Sociologists in Lodz (September 1981), are now no longer as popular among sociologists. This is seen in the topics of new research as well as in the definite decline in attendance at scientific meetings at which papers dealing with the crisis are being delivered. (Incidentally, noninstitutional, union forms of scientific activity in recent years--at least in the social sciences--are total disappearing.) The reasons for this state of affairs are a separate problem.

But recently books are appearing (and this is because of the abnormally long publishing cycle in our country) which pertain to or were written during the severe phase of the 1980-1982 crisis. Unquestionably the impressive volume published recently by Warsaw University under the title "The Polish Society During the Crisis," is one of them. The work was done in the Sociological Studies Methodology Department of Warsaw University, directed by Prof Stefan Nowak, as part of the research on the problem, "Economic, Social and Political Mechanisms for Shaping and Satisfying Human Needs," and stems from the conference in Grzegorzewice which was held in December 1982. The subject of the conference was "The Polish Society During the Profound Crisis; Transformations, Awarenesses and Behavioral Variants." Because of the small number of copies printed and its unavailability on the market, we are reviewing the book here.

The volume, in addition to the introduction by Stefan Nowak, consists of nine chapters--papers delivered at the above-mentioned conference, written by 10 authors, young people and even very young people, drawn together around Stefan Nowak. The only exception is the first chapter, titled "Changes in the Level and Structure of Consumption and the Degree of Satisfaction and Deprivation of Basic Needs," written by an economist outside the University, Zygmunt Zekonski. It is supposed to constitute an "objective" background to the analyses of the values and attitudes of Polish society at the turn of the 1970's in the work being done.

The text, or rather the problems dealt with in the following chapters, are as follows: Living Situations as Stress Factors (Anna Titkow); Changes in the Perception of Social Divisions (Magdalena Gadomska); The Social System of the 1970's (Ireneusz Krzeminski); Collective-Awareness Shaping Processes During 1976-1980 (Grzegorz Bakuniak and Krzysztof Nowak); Changing Values of Polish Youth (Antoni Sulek); Social Awareness During the Crisis as Revealed in Diaries (Anna Giza); The Identification Crisis in the Perspective of Everyday Life (Krzysztof Nowak); Factors in Interpersonal Solidarity and Mutual Assistance (Iwona Jakubowska). The book ends with an extensive essay by Stefan Nowak; its title seems to sum up the entire volume: "Attitudes, Values and Aspirations of Polish Society. Premises for Forecasting in the Light of Changes Already Made." There is also a note about the authors at the end of the volume. The text of the book, in view of its character (a collection of papers) is so abundant and diverse that it would take a large number of pages to discuss it honestly and adequately. That is why I cannot attempt to do so here.

The book, as I have already said, pertains to the subjective side of social reality, i.e., the world of people's convictions, values and strivings. The authors realize the limitations of such a perspective in the study of social life, but they are also aware of its importance in the process of social change and its usefulness in sociological research. Stefan Nowak, in his introduction, described this as follows: "It became evident during the last few years (...) that long-underestimated attitudes, strivings and aspirations of a multimillion nation are able to make themselves loudly known, and sometimes even as one voice, which means that when one wants to explain history as well as when one wants to make it, the events in this area must not be forgotten (...). I think that personal beliefs, feelings of frustration or satisfaction, the conviction of masses of people that the society around them is changing for better or worse, is also an important criterion for the sociologist as to what is happening in that society or to that society. Thus giving evidence of these human feelings and social opinions is an important task for a researcher in the study of people as well as the societies that they comprise. This applies equally to those phases in society's history when they enter a crisis, or when a crisis becomes deeper. That is why, although we are aware of the limitations of the perspective applied in this volume, we still believe it to be important."

However, several pages later, in the first paragraph of the essay ending the book, Nowak writes: "There are (...) moments in the history of particular social systems when attitudes, values and human aspirations become especially important. The method of functioning, and sometimes the form and actually the ability of the social system to function relatively efficiently, depends on them, at least partially. I have a feeling that I am writing this essay in just such a period of history, hence the special role of the problems raised in it."

The justification for the choice of subject, contained in the first quote taken from the introduction, is undoubtedly valid and convincing. On the other hand, his "strong" version presented in the second quote may arouse reservations. The statement that the form or functioning of a social system may depend on attitudes, values and aspirations may be true only in the sense that the statement that a flood is the consequence of the overflow of water over a dam or other flood-prevention means is true.

But here I am arguing more with the unfortunate choice of some of the wording or some of the research assumptions than with the substance of the book. Nowak, as well as other authors, definitely go beyond the problems of values and attitudes, searching in many places for the real and underlying causes and mechanisms of the crisis, and also the present state of Polish society. A particularly valuable feature of Stefan Nowak's essay, quite rare with this consummate scholar, is the examination, in a historical perspective, of our entire 40-year postwar history. It would have been extremely interesting had the author found a similarity to the events analyzed by him to much earlier periods of our national history.

On the other hand, it is difficult for me to agree with the main thesis or the practical postulate of this extremely interesting work by the editor of the volume. For example, Nowak says this, more or less: The economic crisis in Poland is so lasting and so deep that there is no reason to expect a quick and significant improvement in our economy. Therefore, we must establish compensation mechanisms to relieve social frustrations, based on--tout court--a distinct and meaningful democratization of social life. However, my view on this issue is completely different. I believe that the slogan "no bread without freedom" is a beautifully expressed, abstractionally valid--within European culture--moral idea, which should be the compass of human striving over the long historical perspective. But I see no practical application for the idea "freedom without bread." Furthermore, I believe that going in this direction would lead, under the present circumstances, not only to social anomy, but to annihilation or at least to another great national catastrophe.

That is why I believe that we should first of all strive--and this is a suggestion to all Poles--to improve the economic situation, and that matters such as increased freedom or "democratization" should be regarded as a future, or strategic goal. Despite appearances, economic changes may occur in the "short phase" and we could come out of the economic crisis faster than we thought--assuming, of course, that the main criterion for introducing changes will be management efficiency (it does not matter whether the cat is black or white, but that he catches mice--Teng Siao-Ping). And on this front--I use this military term deliberately--the relentless battle should be fought, for the battle is for our "to be or not to be" in Europe.

The alternative or even a discussion on democratization versus economic reform applies to specific Polish conditions in 1985 and is not some kind of general directive or rule for social development. That is obvious and there is no reason to justify it further. But sometimes, in individual as well as collective life, we must give up something, even something very important, in order to attain that which at a given time is of the utmost importance, something which may determine our further existence. Many national misfortunes have befallen Poles because they did not know how to give up something which at that moment in history was unattainable and not of the utmost importance.

And finally the last comment on this interesting volume from the researchers of Warsaw University. This work shows, and in any case allows us to believe, that the values and attitudes of the authors themselves had a certain influence on the picture of reality presented by them. This is not a work written sine ira et studio: traces of "irae" are quite evident in it. This is not an accusation. A scholar has the right to his own value-conditioned interpretation of the reality under study. Anyway Marx, and not just he, said that "objective knowledge"--in the case of the social sciences--does not exist. At least some of the authors of this volume are aware of these conditions and limitations. Antoni Sulek, in his very interesting chapter on the changing values of Polish youth expressed this beautifully. The conclusion of his article applies, in my opinion, to the entire volume. We will quote in its its entirety

"(...) it is possible that this work reveals (not only) the values of the youth being described but (also) the values of the author himself. This does not stem from any lack of respect for the author of the Werturteilfreiheit (underscored) postulate, but from somewhere else--from the fact that the author takes a specific value position on the subject of this work. Such a position, as methodologists teach, may also influence the selection and interpretation of material, that the study furnishes only a pseudoconfirmation of the researcher's preconceptions. It is possible, therefore, that the author happened only upon those studies whose results were compatible with his own preconceptions, that he made a biased interpretation of results which were susceptible to various interpretations, that during the course of an unsystematic reading of newspapers he gave more attention to facts which were compatible, rather than incompatible, with his own hypotheses, that he projected the results of observations of his surroundings, or even worse, his opinions and values, on the people he was writing about. Therefore, it is also possible that a researcher of a another axiology, with a stronger methodological superego, with access to materials not available to the general public and the author, or to circles unknown to him, would arrive at another picture of the changing values of Polish youth. The author would be curious to see such an undertaking." And I can only add: so would the person writing this.

It is too bad, therefore, that the book appeared in such a small edition and will not be able to be the subject of broader scientific as well as social discussion. In any case, it should become the object of keen attention by interested scientists and those who are making decisions on Poland's present and future.

"The Polish Society During the Crisis." Collected Works, Stefan Nowak, editor, University of Warsaw, Institute of Sociology. Warsaw, 1984, 468 pp. (the book appeared in February 1985).

9295
CSO: 2600/182

POLITICS POLAND

CRITIC QUESTIONS DEFINITION OF 'NORMALIZATION'

Warsaw POLITYKA in Polish 26 Oct 85 p 16

[Text] The elections to the Sejm, held on 13 October, are regarded by everyone, both here and abroad, as the next step in the normalization of conditions in Poland. The differences, and there is no point in concealing them, pertain only to how these election results are interpreted. There are some, those who are the most optimistic, who say that the results indicate overwhelming support for the government's political line; therefore they assume that the participation in the elections stems from a rebirth of social activism. The unfavorable comments suggest that participation in the elections was, to an overwhelming degree, based precisely on passivism; that is, on the fact that people are tired and have reconciled themselves to things as they are. Of course, I am ignoring the opinions of those who believe that the participation in the elections was the result of mass pressure and terror, because heaven knows there is no way in which 78 percent of the adult, enfranchised citizens of our country could be terrorized; our postwar history has shown many times how highly impossible this would be. In any case, these elections results, which are genuinely in agreement with the personal observations of every one of us (because, after all, about 8 out of every ten people we know went out and voted) are, and should be, as had been said, a portend of normalization.

But from this very perspective we should stop and think about what the word "normalization" really means, because it is a term which we use a great deal but examine rarely.

I think that for most users of this word it means mostly the absence of a distinct atmosphere of political confrontation, expressed also in street demonstrations and skirmishes. That is what we imagined normalization to be in 1982, or even in 1983, when we saw public calm as its first condition. Of course, this criterion, undoubtedly a correct one, applies mainly to our peculiar Polish political customs, for in most Western countries--France, England or West Germany--there is no need to explain street skirmishes for they are not unusual, and no one says that there is an absence of normalization because they take occur in Frankfurt, for example, or Paris.

But in our country such outside events were supposed to mean that there is some kind of self-styled, savage clique in authority while the nation, underneath, is boiling and erupting like a volcano. The elections, I believe, changed that point of view. Normalization is seen throughout the world as a state in which, despite the fact that various groups express their dissatisfaction with the existing state of affairs more or less energetically, people and groups exercising authority do so with the support or at least the acquiescence of the majority of society. I think, in the light of the elections, that we have reached just such a state.

But we should not be so naive as to not realize that for some circles "normalization" means that everything can be as it was formerly. According to these people, the "normal" state was that which led, from time to time, to recurring social and economic crises and desperate conflicts, while any move aimed at questioning or changing this state is "abnormal. According to the declarations accompanying the entire elections campaign, the election results should be deservedly disillusioning to all of the advocates of this concept of normalization.

But these deputies, if they want normalization and want to continue to strengthen it, must, just as we all, stop and think for a moment: what really is now normal in our life and what is profoundly abnormal? In fact, the entire continuation of this process called normalization depends on the answer to this question.

For example, is it normal in a society as diverse as ours for there to be so many viewpoints on social and political issues, and even on our political system?

Certainly it is, and I cannot imagine that this normalcy could be questioned within the framework of any kind of normalization.

But since it is so, is it normal for the differences that really exist to be expressed publicly, in our social life, in the press, and in the Sejm?

I think yes, and that it would be truly abnormal if there were a choir of voices all singing the same tune. Of course, here too, we should add that normalcy also means expressing this diversity within the limits established by the constitution, or--in order not to reach so high--by the binding right of the press, which during the process of normalization should be applied in all of its sections.

The most normal thing in the world is the right to broad contacts with the outside world--contacts abroad, both official and private. Our 20th century is such that that which was once a secondary matter now moves to first place among human needs. I think that in this respect we came very close to normalcy during the late 1970's and that a certain limitation here (for example, the need to obtain often very questionable "invitations" from abroad when personal foreign travel is financed out of one's own funds) moves us away from normalcy rather than brings us closer. The right to a passport is normal. The absence of this right is a deviation from the norm.

Despite the fact that foreign broadcasts and foreign commentators see these things differently and constantly apply police-state criteria to Poland, a country locked and gagged--which, with time, becomes really exasperating--we see many more abnormal things not in the area of personal rights and freedoms but in the economy.

For example, it does not seem to me to be normal that in a European country at the end of the 20th century a system of rationing should exist into infinity. We have become accustomed to ration cards. Sometimes we have even learned to like them, because one can learn to like anything given enough time and proximity, but this is not normal. I think (perhaps too optimistically) that during the term of the present Sejm this abnormality should disappear, provided, of course, that we do not want to accept it as something that is normal.

But in the opinion of the public, the disparity, or really the total incongruence of prices and wages is an even greater abnormality than the rationing system. I am not talking here about speculation, of course, but about official, state prices. Let us tell the truth: we are living in conditions where almost every purchase except for our daily staples--bread, cheese, potatoes, etc.--arouses immediate suspicion of highly sophisticated swindles and embezzlements on the part of the purchaser. I am not saying that that is how these suspicions arise, however I am saying that in the light of bald statistics this whole thing looks absurd. Out of what kinds of incomes are people buying suites of furniture in state stores for 300,000 or 400,000 zlotys? Out of what kinds of incomes are they buying color television sets costing over 100,000 zlotys? Or automobiles for a million zlotys? There is no mathematician who could account for this on the basis of our official wages and salary system, and that is what seems to me to be profoundly abnormal.

What am I asking for here? That more money be printed so that the price agree with the wage? That prices be reduced so that it is not profitable to produce? That profit margins be reduced so that it would not be profitable to sell? All of these nonsenses have already been applied and, of course, they have not produced results. Nor am I an advocate of a system in which everything is for everyone. There are, and should be, goods which will be accessible only to those who earn more, or really much more. But in this case I would like to be able to completely calmly, applying all principles of mathematics, calculate how Mr X, a full member of the Academy of Sciences, Mr Y, the managing director of a huge combine, or Mr Z, a skilled journeyman working in accordance with all of the regulations of reform, can afford to buy furniture, a television set, or an automobile, while also maintaining a family, eating three times a day and buying new shoes every once in a while. The ability to make such a calculation would, in my opinion, be normal and more invigorating to me than Minister Nieckarz's fiscal acrobatics.

It would also be much more normal if within the framework of normalization the regulations governing such a fundamental right in the life of every society as the right to ownership could take on a degree of permanence. This right is really devilishly simple and is based on the premise that what I have purchased is my property, and that what is my property I can sell, give away, or even lose. There is nothing else in this law and even a child can learn this. But please apply its crystal clarity to the housing situation, for example, when not too long ago we were being encouraged to buy state-controlled and cooperative housing and such purchases were made easier for us. This property was to be ours, but now try to sell this unquestioned ownership; I have already seen a couple of people who have turned gray while trying to do so. Please apply the ordinary logic of the right of ownership to the actions of the private sector in the economy, where fiscal and property regulations change in kaleidoscopic fashion, or to those already famous "Polonia firms," of which a good percent--and I suspect particularly those who did not get used to the ups-and-downs and swindles--are now leaving Poland, and we will see how simple things become distorted through improper use.

We are now entering a stage of normalization. Logically this should mean that we will be surrounded by more normality and less abnormality. Sometimes we do not even realize how ambitious this concept is.

9295
CSO: 2600/182

BRIEFS

SD TERRITORIAL SELF-MANAGEMENT MEETING--A review of the way the bill about the system of national councils and territorial self-management was being put into effect in Konin Province was the subject of the conference of the councilmen-members of the Democratic Party and the SK aktiv of the voivodship. Tadeusz Witold Mlynczak, chairman of the CK SD, deputy chairman of the State Council, took part in the meeting. He acquainted the participants with the State Council's resolutions about the current functioning of that bill and suggested future tasks for the councilmen and the SK aktiv, which when realized, should contribute to further democratization of life in that province and better implementation of the bill. [Text] [Warsaw ZYCIE WARSZAWY in Polish 5 Dec 85 p 2] 12470/12232

PRON ORGANIZATION MEETING--At a meeting in Lodz of the PRON activists of the Baluty District, it was debated how should the basic PRON units develop, what is the main direction that their activity should take and how to avoid schematization at work. The general secretary of RK PRON, Jerzy Jaskiernia, who participated in the meeting, pointed out the necessity of planning new methods for PRON work that are more appropriate to the ongoing normalization of life in the country, the changing general conditions, change in the priorities of the people's needs and expectations. Our task he stated, is to work out such methods of action as will answer the needs of the second half of the decade of the 1980's. [Text] [Warsaw ZYCIE WARSZAWY in Polish 5 Dec 85 p 2] 12470/12232

MILITARY AGITPROP SESSION--A session of the aktiv of propaganda and campaigning of the Armed Forces PRL took place in Warsaw, at which they summarized the results of a year of political schooling and evaluated the propaganda and campaigning activities of last year. They stressed the importance of those activities for perfecting the process of education, strengthening the moral-political condition, improving discipline and battle readiness of the military force. The main goals and tasks for 1986 were defined. The leading officers-activists in the field of propaganda and campaigning received diplomas and awards. General Leslaw Wojtasik, deputy chief of the Main Political Directorate, Polish Army, took part in the meeting. [Text] [Warsaw ZYCIE WARSZAWY in Polish 5 Dec 85 p 2] 12470/12232

PARTY CUSTOMS ADMINISTRATORS CONFER--In Warsaw a conference took place of the party managerial aktiv of the customs administration for the purpose of evaluating the work of that service in the past year. Among others there was a discussion about streamlining the work of the customs offices in their processing of people and goods and also about combating criminal activities connected with customs duties. [Text] [Warsaw ZYCIE WARSZAWY in Polish 5 Dec 85 p 2] 12470/12232

ZSL CENTRAL AKTIVS MEETING--On 7 December a conference of the central aktiv of ZSL took place in Warsaw devoted to a discussion of the tasks of the party arising from the socio-political situation of the country. A lot of attention was given to the political-organizational activities of ZSL in view of the report campaign in circles and community units of the party which in accordance with the instructions of the Presdiium of NK will last till the end of March 1986. The goals in this area were presented by Bogdan Krolewski, member of the Presidium, NK secretary. Kazimierz Olesiak, member of the Presidium, NK secretary, reported on the socio-economic situation of the villages, including problems connected with realization of the joint agrarian policy of PZPR and ZSL. [Text] [Warsaw RZECZPOSPOLITA in Polish 9 Dec 85 p 5] 12470/12232

PZPR DELEGATION IN ANGOLA--The PZPR delegation to the II Congress MPLA--Labor Party headed by Waldemar Swirgon, secretary KC, was greeted by the chairman of the Angola party and president of the republic, Jose Eduardo dos Santosa. The delegation held talks with the chairman of SWAPO-Liberation organization of Namibia, Sam Nujoma. [Text] [Warsaw RZECZPOSPOLITA in Polish 6 Dec 85 p 7] 12470/12232

ARMY POLITICAL DIRECTORATE IN SFRY--Delegation of the political directorate of the Polish Army headed by the deputy minister of national defense, chairman GZD WP Jozef Baryla, is staying in Yugoslavia since the 3rd of this month. Meetings and discussions between the Polish deputy minister for national defense in Belgrad as well as in Lublana (the capital of Slovania) served to strengthen even further the ties of cooperation between the armed forces of the two friendly nations. [Text] [Warsaw RZECZPOSPOLITA in Polish 6 Dec 85 p 7] 12470/12232

MLYNCZAK IN PRAGUE--An official delegation of the Democratic Party headed by the chairman CK SD, deputy chairman of the State Council PRL Tadeusz Witold Mlynczak arrived in Prague last Thursday, on the invitation of the Central Committee of the Czechoslovakian Socialist Party, In the afternoon plenary discussions took place between the representatives of both parties in the capital city of CzPS. T.W. Mlynczak and the chairman of CK CzPD D. Kuczera presented the political, social and economic situation in the two countries. [Text] [Warsaw RZECZPOSPOLITA in Polish 6 Dec 85 p 7] 12470/12232

OPZZ, TECHNICAL ORGANIZATION COOPERATION--The managements of OPZZ and NOT agreed on a program of cooperation in the areas of: technical development, introduction of the economic reform, bio-technology, safety and humanization of labor. It also covers problems of saivng and protecting the natural environment, protection of professional privileges, raising the ranks of engineers, technicians and foremen, and the protection of their work and living conditions. OPZZ and NOT will cooperate with the political and state authorities in the selection from the engineering-technical cadres of people for managerial positions and they will inspire and support the spirit of creativity and nationality of work. A decision was also made to organize joint teams of specialists to work on expertise, opinions, reports and everything else pertaining to the main problems of socio-economic development and scientific-technical progress in the country. [Text] [Warsaw TRYBUNA LUDU in Polish 3 Dec 85 p 5] 12470/12232

WALBRZYCH DEFENSE COMMITTEE--A conference of the provincial Defense Committee took place in Walbrzych on 2 December. The socio-political situation and security in the voivodship were reviewed, as well as carrying out defense tasks in some units of state administration on the basic level. [Text] [Warsaw TRYBUNA LUDU in Polish 3 Dec 85 p 5] 12470/12232

PRON FOCUS ON YOUTH--At the Warsaw meeting of 3 December between the General Secretary RK PRON Jerzy Jaskiernia and the leaders of youth organizations, there was a discussion about youth's problems which should become the main interest of PRON leadership and problems of youth's participation in the work of the movement. [Text] [Warsaw TRYBUNA LUDU in Polish 4 Dec 85 p 2] 12470/12232

HUNGARIAN SCIENTIFIC-TECHNICAL COOPERATION--On 3 December the Deputy Prime Minister Jozef Koziol held talks with the ambassador of the Hungarian People's Republic on the subject of matters connected with the preliminaries to the 22nd session of the Polish Hungarian Committee for Economic and Scientific-Technological cooperation. [Text] [Warsaw TRYBUNA LUDU in Polish 4 Dec 85 p 5] 12470/12232

AMBASSADOR TO TUNISIA NAMED--On 3 December the ambassador of the PRL in Tunisia, Mieczyslaw Majewski, presented his credentials to the president of Tunisia, Habib Bourguiba. The president expressed great interest in the preparations for the visit to Tunisia of the chairman of the State Council PRL, Wojciech Jaruzelski. Some matters pertaining to Polish-Tunisian relations were discussed. [Text] [Warsaw TRYBUNA LUDU in Polish 4 Dec 85 p 7] 12470/12232

CZECH SCIENTIFIC-TECHNICAL COOPERATION--Last Tuesday the deputy prime minister of CSRS, chairman of the State Committee for the Development of Technology and Investments, Jaroslaw Obzina, received the minister of mines and heavy industry, Janusz Maciejewicz, who was in Prague on a working visit. They discussed opportunities for further growth of specialization and coordination of production as well as closer scientific-technical cooperation. [Text] [Warsaw TRYBUNA LUDU in Polish 4 Dec 85 p 7] 12470/12232

GERTYCH, YOUTH REPS MEET--On 5 December Zbigniew Gertych, deputy prime minister, received representatives of the leadership of ZG ZSMP, headed by Chairman Jerzy Szmajdzinski. They submitted the general direction of the activity of ZSMP and its goals for the next couple of years. The deputy prime minister thanked the aktiv and members of ZSMP for their past work. Aleksander Kwasniewski, the minister of youth affairs, took part in the meeting. [Text] [Warsaw TRYBUNA LUDU in Polish 6 Dec 85 p 2] 12470/12232

YOUTH ORGANIZATION, JUSTICE OFFICIALS MEET--On 5 December a meeting took place between the representatives of the leadership of the Department of Justice and the ZG ZSMP with the participation of Minister L. Domerecki and Chairman ZG J. Szmajdzinski. They discussed problems of cooperation between the Justice

Department and ZSMP in the area of realization of common tasks. Particular emphasis was put on the program of educating the people in the state-laws area, which was accepted by the Political Bureau KC PZPR. In view of the emergence of many new problems demanding joint solutions, forms of cooperation were worked out for the next future and appropriate agreements were signed. [Text] [Warsaw TRYBUNA LUDU in Polish 6 Dec 85 p 2] 12470/12232

RURAL YOUTH UNION SESSION--On 3 December a regional convention of the Rural Youth Union 'Wici' took place in Kolbuszowa inaugurating the report-election ZMW camapign in the Rzeszow Province. Of the 6.5,000 members of the voivodship's youth organization the ones in Kolbuszowa region are the most active. A number of main problems bothering rural youth were discussed. Chairman of the state board ZMW Leszek Lesniak, who participated in the convention, summarized and concluded the discussions. [Text] [Warsaw TRYBUNA LUDU in Polish 6 Dec 85 p 2] 12470/12232

IRAQ FRIENDSHIP ORGANIZATION VISITS--On the invitation of the Society for Nations' Friendship and the Society for Polish-Iraq Friendship a delegation of the Society for Iraq-Polish Friendship visited in our country 29 November till 6 December. It was headed by the chairman of the organization, who at the same time is the general secretary of the Association of Iraq's journalists, Sabah Yasehem. During the meeting with the board members of the Association for Polish-Iraq Friendship, there was a discussion of realization of the agreement on cooperation between the two organizations and plans for the next few years. Members of the Iraqi delegation also held talks with MSZ, National Council PRON, ZG SD PRL at the capital's town hall. Deputy Foreign Minister Jan Majewski received the delegates. They emphasized the role of the friendship Associations in bringing about strengthening the cooperation between Poland and Iraw. The ambassador of Iraq, Himet A. Sattar Hussein, took part in the meeting. [Text] [Warsaw TRYBUNA LUDU in Polish 7-8 Dec 85 p 2] 12470/12232

MINISTER, FRG JOUNRALISTS MEET--Minister of Foreign Affairs Marian Orzechowski and the deputy minister of this department, Ernest Kurza, met with a group of West German jounralists visiting in Poland on the occasion of the 15th anniversary of signing the agreement between PRL and RFN. The host of the meeting was the chairman of the Club of International Journalism SD PRL, Marian Pokdowinski. [Text] [Warsaw TRYBUNA LUDU in Polish 9 Dec 85 p 5] 12470/12232

CSO: 2600/196

NEGLIGENCE OF PARTY ORGANS BLAMED FOR MEMBERS' TRANSGRESSIONS

Bucharest MUNCA DE PARTID in Romanian Nov 85 pp 89-90

[Article: "Grave Violations Receive Slaps On the Wrists"]

[Text] Induction into the party is an act of solemn responsibility which must be viewed as such both by party organs and organizations as well as by those requesting that induction. We draw attention again to these basic requirements because, unfortunately, there are still those who pay them no mind. This is the conclusion one draws from events that took place in the local party organization in the village of Corbu, Corbu township, Hargita county. Here, in 1983, there was a discussion about granting party membership to Sabina Cazan. This discussion should have been based, of course, on the provisions of the RCP party statutes of the central committee instructions. These provisions are--or should be--known both by those who approved the application as well as by those who forwarded it, given that no one is accepted into the party until he is well qualified and has mastered the party program and statutes.

However, as was pointed out to us in a letter sent to the editor, such was not the situation in this case. Inquiry by the county committee into the complaint established that a number of the provisions of the statutes and the instructions had been violated, but these violations were discovered well after the fact and only after the abovementioned letter had been received. For these shortcomings, Gheorghe Laurentiu, former Corbu party communal committee secretary and later Tulghes committee secretary was severely censured and removed from his posts of communal committee secretary and community mayor. Virginia Rugina, former deputy secretary for propaganda in the party communal committee was censured. Gavril Tofaleanu, former local party secretary was severely reprimanded. Viorel Surdu who made the recommendation and Viorel Goia, secretary of the community communist youth organization, were formally reprimanded. Simion Rugina, former county instructor who was responsible for supervising and directing the activities of the communal committee in question was given... a reprimand!! The documents admitting the applicant to the party were annulled.

As one can see, the punishments were very mild in some instances. The most curious case is that of Gavril Tofaleanu. He was removed from the posts of local party organization secretary and vice chairman of the Corbu Communal People's Council Executive Committee because he had falsified certain data on the documents that admitted the applicant into the party. Some people--ourselves included--have a serious question: Why after all of this was he promoted and maintained as chairman of the Corbu Production, Purchasing and Marketing Cooperative?

The Truth Will Out

Every person has the right to draw attention to irregularities. Anyone can request the elimination of measures which violate current party or state regulations. However, one must state the facts as they are and not color the truth.

We are afraid that this is not what happened when Dobre Sovailescu from the Coltea Agricultural Production Cooperative, Rosiori township, Braila county, wrote us asking for our assistance in righting an injustice. Sovailescu claimed he had been unjustly accused and fired from the post of party committee secretary at the agricultural production cooperative. In essence he said that an audit at the cooperative had uncovered certain irregularities, that a general meeting of all members of the cooperative had been called to review the situation, that on the day the general meeting was to be held, the party committee and leadership council met in advance of that meeting and that, as luck would have it, on the same day there had been a wedding in the village, and that he had consumed several drinks there. Nonetheless, he said, he appeared at the meeting where to his amazement, he was fired because it was alleged he had written the anonymous letter that brought on the audit.

But look at what the county party committee has written us. "The decision to replace him as secretary of the agricultural cooperative committee was taken because he had arrived drunk at the joint meeting of the party committee and leadership council. This was the meeting where they were to discuss the study's findings on problems stated in the letter of complaint. When they checked into his story no one was able to confirm that he had been at the wedding. At 1900 that evening, when the meeting had been scheduled to begin, the participants awaited his arrival for an hour, until he was found and brought to the meeting in an advanced state of inebriation. There had been no discussion of his being the author of the anonymous letter."

Enough said....

A Case Which Gives Pause for Reflection

Party decisions and state laws have precise stipulations concerning the promotion to a higher position, the collective where the candidate works must be consulted. Proper regard must be given to regulations that require, among other things, that the candidate pass an examination or excel in competition for the socialist order and the needs of the people as well as proper conduct in society and so on.

But a letter has reached us from the Arad Textile Enterprise's sector II finishing section that expresses unhappiness with the promotion of Constantin Gorun to the position of foreman. This person had been expelled from the party in 1983 for theft from the public trust! Furthermore, he had been promoted without any examination or competition! Upon examination of the case, according to a report sent to us by the Arad county party committee, "the enterprise leadership acknowledged that it had erred by not conforming to the rules in promoting this worker." In the end, the promotion was voided, the post declared vacant and an examination was announced to fill it. The case, however, still gives pause for reflection, especially about the motives that caused such important regulations to be "forgotten" by those who are responsible for their application and that caused the party organs and organizations at the enterprise to be negligent regarding this essential aspect.

Where was the Party Organization?

A letter sent from the Constantin Daicoviciu commune in Caras-Severin told us about a situation that was simply hard to believe. The chief at the calcium oxide section was D. Calina, a person of low moral character who, when he had been president of the Fishermen and Hunters' Association of Caransebes, had falsified sales receipts for hunting weapons and pocketed a certain amount of money. He also borrowed money from his subordinates and "forgot" to repay it. Another person in authority there was Aurora S. who had been expelled from the party for forgery and for accumulating an improper amount of money.

Naturally, it was decided to replace the two. But the question remains, "How is it that the party organization did not uncover this on its own?" The answer emerged from a study of the case in question. Not only had there been no heed paid to these matters, but the fact had been overlooked that for sometime this bureau had been understrength with the departure of the secretary and another member. Under such conditions, party activity was carried out in a most unsatisfactory manner. Furthermore, all of this transpired under the indulgent eyes of the party communal committee and of the cadre who over time passed through this unit. For these shortcomings, the communal party secretary was severely... reprimanded. But don't those who have the task to assist the communal committee also share in the guilt?

12280/12859
CSO: 2700/73

SHORTCOMINGS OF POLITICAL SCHOOLS FOR YOUTH VIEWED

Zagreb VJESNIK in Serbo-Croatian 1 Dec 85 p 6

[Article by Vesna Perunicic: "Intolerable Production of Mist"]

[Text] Unfortunately, it is necessary to have something happen that is at first glance completely unrelated to the reason for the existence of political schools for youth, in order to startle us, who have been lulled by the form and routine of this type of ideological and political education, and to make us start thinking. That is what happened last spring at the "Ivo Lola Ribar" political school for youth in Belgrade.

Suddenly, when it was necessary to collect the fees, fictitious classes appeared, false lists of students whom no one had ever seen in class. They registered (or someone did it for them), and afterwards every trace of them was lost and they never dreamed of showing up there, even in order to complete the number of students. It was important to the Marxist centers that the organizers collect a sufficient number of names to fill the planned "capacities," and it appears that no one was particularly interested in how this would be done or in what would, after all, attract these individuals.

Are young people really not able to satisfy even part of their interests in political schools? This question does not arise exclusively because of the above-mentioned incident in Belgrade, but also because of the universally accepted observation that these schools are doing badly.

"All of this together is just the production of mist," noted Dragan Mojovic, an editor at the Ivo Lola Ribar Political School for Youth, who was attempting to describe the real state of affairs in the field of ideological work with young people and was not afraid of this generalization. One must begin with an analysis of the instruction programs in regular schools, in which the concept of humanistic education and the moral development of children and youth has been abandoned in favor of pragmatic and utilitarian goals. The excessively high requirements for narrow specializations do not leave room for studying subjects without which the education of a socialist person cannot take place.

Style Imposed by Ignorance

This applies primarily to philosophy, logic, history, literature, and art. In addition to the program that is thus impoverished, there is also another problem -- the teachers. Certainly the nature of the teachers' values and the style of their pedagogical work are governed to a considerable extent by their very poor and low social status. Furthermore, Mojovic says, this teaching staff has been trained for a different style of pedagogical work than is required by the modern self-managing school, and thus it is evident that the schools are resistant to new teaching methods, in the psychological-pedagogical sense. Only a few of the teachers adopt them.

The atmosphere of the school, which hinders the formation of a democratic personality, is another story. The school is a markedly authoritarian institution, as one can observe from the physical organization of the premises and the relationship between the lectern and the benches. The lectern is elevated and separated from the benches (so that one knows which place belongs to whom). Next, one can observe this from the relationship between the student and the instructor, and between the student and the program and methods. As long as schools externally resemble hospitals, barracks, and prisons, and internally there are strict rows of benches with a lectern in front of them, and as long as dictation is given in order to be copied down, schools will be an anti-self-management environment, Mojovic claims.

Under such conditions, one cannot develop a self-managing spirit and personality. Also, as long as the teaching of Marxism in schools does not explain what such an authoritarian system, strict discipline, and the method of evaluation mean for the socialist formation of the personality, it will be a dead teaching for revolutionary education, like that of St. Thomas Aquinas, i.e. anti-Marxism.

Limited programs are necessarily also impoverished ones. For example, what can one expect of students in Kosovo who for years, in the history of music, have studied one Serbian author, two Yugoslav ones, and one from elsewhere in the world, and neglected all of the other ones from Kosovo and Albania? A similar thing also happens with writers: those that are studied most are one's own, the local ones, and so the feeling that these are also the "best" arises by itself, spontaneously. This is probably also the beginning of the arousal of nationalistic feelings, whose manifestation later on we call nationalist outbreaks. Neither critical thought nor logical training in speech is taught in schools. It is easiest to do this indirectly, instead of through an exclusively Marxist education, whose one-sided orientation has even created an attitude of rejection among young people.

Mojovic asks what political schools should represent in these general circumstances, and he gives a very pessimistic answer. Young people who decide to attend a political school usually do not even understand the most elementary concepts of the sciences concerning society, politics, economics, or philosophy that would make it possible to conduct a democratic dialogue with them, which is said to be the most suitable form of work. In political schools, they not only do not know the facts that should prevail in schools, but they do not even have training in speech and democratic dialogue, which implies tolerating different opinions and being able to have a confrontation between arguments and not personalities. Consequently, one cannot accept the criticisms of a political school (especially this one in Belgrade) becoming a school after school, since such a style has been imposed by ignorance. And necessity, as we know, even changes the law, not to mention the customary practice in ideological work with youth, which is not producing any results.

Prejudices as Consequences

This first obstacle is immediately followed by the next one -- the programs in political schools. Mojovic claims that they are imposed by people who conduct conversations with young people without communicating with them, because they are not familiar with the problems of the period of adolescence and of political and cognitive socialization. Then they use the poor response from the students for general observations like "young people are apolitical today."

Recently efforts have been made at the Ivo Lola Ribar school to promote a different kind of education, not imposing programs, but taking into account the desires and needs of young people, and dealing with the subjects more flexibly. Conversations are conducted in small groups of about 20 people regarding religion, nationalism, value orientations, and the free time of young people, all without lectures from the lectern and excessive theoretical explanations. The purpose is to find out through such a conversation what the personal and private attitude of each individual is toward drugs, religion, and Yugoslavia, what their knowledge, mistakes, and prejudices are, and why they adhere to them. When some idea of all this is more or less acquired, it is up to the organizer of political instruction to offer appropriate information, explanations, knowledge, and facts.

Interesting conclusions have been reached in the handling of the problems of national emancipation and nationalism. Young people ask about prejudices, exclusivism, tolerance, and real feelings, and the outcome of the survey, as Mojovic says, can be generalized as a result of climate and situation: young people have little or even completely insufficient knowledge about fundamental concepts like people, nation, and national and nationalistic awareness. They are not capable of recognizing characteristics and indications of such phenomena and changes, and because of all this they are burdened with great prejudices. All of this is once again the consequence of insufficient education and cultural and political isolation.

There is no emotional content of any kind, or hatred, in this, because they want to associate with people outside their own milieu, to encounter new values and cultural contents. But they are usually not allowed to do so because of their material position and the social climate that has imposed restrictions and barriers. This immobility is generally characteristic of secondary school youth and some students. Naturally, no one is born a nationalist, but rather becomes one in specific circumstances and under the influence of the people with whom he associates and has ties.

Steps in Political Education

The nationalist outbreaks from young people that we have witnessed recently are being turned into bureaucratic wrangling in public. Essentially this has to do with an outlet for some accumulated aggression and dissatisfaction with something that has happened, for very diverse reasons. Such behavior easily gets out of control and is directed, for example, against the supporters of a sports team on the other side who are from a different republic. Everything that we are inclined to label as nationalism among youth consists mainly just of occurrences of emotional destruction, Mojovic claims. The causes of this aggression are not hatred of other peoples, but rather various dissatisfactions in school, family, and society. Statistics have shown that the hatred of blacks and whites in the American South culminated in conflicts when the cotton was not growing or when prices for it were low.

From the standpoint of motivation, there is no difference between nationalist escalation, some tumultuous outbreak or conflict, and the cold, scornful view of some individual inspired by nationalism. The difference is only in the social consequences: in the first case political and administrative action is taken. For this reason one should not be one-sided in discriminating against indications and occurrences of nationalist feelings, attitudes, and conduct; instead, one should eliminate all of the circumstances that determine such feelings, attitudes, and conduct. At the same time, with respect to young people, one should make possible a genuine humanist (Marxist) education.

One could talk about the social role, significance, and reputation of political schools much longer than the newspapers will tolerate. Instead of conclusions, one can admit, even though it sounds nostalgic, that these schools are not what they once were. Perhaps they should not even become like that again in all of their aspects, but we would have cause for satisfaction if we succeeded in them in combining the former seriousness and interest of the students with a modern approach and current topics. There would certainly be an effect, and our interlocutor Dragan Mojovic would not be able to assert from such an authoritative position that the present situation in political education is really the production of mist.

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END

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East Europe Report

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AGRICULTURE YUGOSLAVIA

MONTENEGRIN AGRICULTURAL PLANS TO 1991

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 7-9 Dec 85 p 3

[Article by Rade Grujic: "More Food and Jobs"]

[Text] With the implementation of the project for the regional development of agriculture, by 1990 Montenegro would meet its own needs for meat and milk to a very high degree, and the production of early fruits and vegetables would be increased. The employment of members of the families of private producers would increase by about 25 percent, and 800 jobs would be created in the socialized sector.

The beginning of next year should mean a great turning point for agriculture and the agroindustrial complex in Montenegro -- investment worth $100 million. This has to do with the Regional Project for the Development of the Republic's Agriculture and Agroindustrial Complex, which is to be financed with funds from the International Bank for Reconstruction and Development and funds from foreign commercial banks.

The idea for this project was initiated as early as 1981, when the Economic Bureau, an OOUR [basic organization of associated labor] of the Institute for Marketing and Economic Research in Belgrade, began "taking down" the possible investors and the desires cited by the initiator of the project, the republic of Montenegro. After a preinvestment analysis, the FAO in Rome, i.e. its Center for Investments, joined in the project. In the summer of 1982, a report on the justifiability of this project was sent to the International Bank for Reconstruction and Development, where the project met with support, and the value of the loan was estimated at $100 million.

The current situation is such that the loan is to go into effect at the beginning of next year, and in Montenegro a survey is under way, conducted by the Agroeconomic Institute of the "13 July" Combine, in regard to the concrete desires of the private producers and their ability to participate in the project. This is because the basis of this project will be the development of the private sector, where during the next few years 600 mini sheep farms with capacities of 50, 80, and 120 head, in addition to 600 mini cattle farms with capacities of 5 and 10 head, are to be completed, 1,200 pregnant heifers are to be purchased, 2,000 hectares of natural meadows and 560 hectares of unexploited meadows are to be reclaimed, and the production of 600 hectares of silage corn and 280 hectares of artificial meadows is to be established.

In addition to this main part, which in the broadest sense covers the production of meat and milk, by 1990 the project should also achieve the construction of 20 mini fish ponds with capacities of 1,000 square meters and 33 hay farms with capacities of 450 meters, the establishment of a total of 120 hectares of fruit orchards (apples, pears, raspberries, and currants) for 180 private farmers, and also the revitalization of about 60 hectares of olives in the private sector.

The total result of these additional investments in primary production and greater processing of the raw materials would be 8,200 tons of meat on the hoof, 2.9 million liters of milk, and the processing of 0.6 million liters of milk into cheese and 3,600 tons of fruits into semifinished products.

In addition to this, the completion of the project, at full production, should ensure an additional 2,000 tons of meat, 14 million liters of milk, 900 tons of fish, 250 tons of fresh early vegetables, and 5,700 tons of fruit. About 2,400 private farmers would benefit directly from the project, and the employment of family members would increase by about 25 percent. The additional employment in the socialized sector would amount to about 800 permanent jobs.

For now, we know that next year should see the completion of part of the agrocomplex that covers the construction of a cheese factory for high-quality cheese in the area of the Plan opstina, the renovation of a dairy farm in Ivangrad, a slaughterhouse in Bijelo Polje, and a facility for medicinal plants in Risno. The project is planned in such a way that its completion will depend upon the current business conditions, so that if a certain component is not currently economically justified, work will begin on suitable alternatives in accordance with the balance of raw materials available. Since livestock breeding is the heart of the project, it is important to state that the introduction of the intermediate components -- artificial meadows and silage corn -- will cover 70-80 percent of the fodder requirements. So far, the fodder factory in Spuz, for instance, has worked mainly with raw materials purchased in other republics.

The economic justification of this investment, which is not such a small one, is the elimination of the shortage of meat and milk in this republic, and the development of those components of agriculture and the agroindustrial complex in which this republic has comparative advantages. Certain facilities will also be oriented toward exports -- they will export the surplus of slaughtered lambs, high-quality cheese, and medicinal plants, in which the U.S. market is particularly interested. The greatest benefit from the project, however, will be a reduction in the increasingly greater migration from the village to the city, and the possibility of additional employment for family members on private farms, as well as new jobs in the socialized sector.

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EXTERNAL FACTORS IN CEMA ECONOMIC DEVELOPMENT VIEWED

Prague ZAHRANICNI OBCHOD in Czech No 12, 1985 pp 8-11

[Article by Ondrej Ler and Ludek Urban: "External Factors in the Economic Development of the European CEMA Countries"]

[Text] The economic development of the European group of CEMA countries during the 1980's was accomplished under the strong influence of external factors. The experiences of the previous decade, mainly those of its second half, showed, among others, that the depth and duration of structural changes in the economy of the world cannot be underestimated. The economic strategy of the CEMA countries for the period 1981-1985 was consequently also based on the assumption that the influence of adverse external economic conditions, which had played a role in slowing down economic growth and in diverting it from planned intentions at the end of the 1970's, would continue through the first half of the 1980's.

Altered External Conditions and Their Effects

Among the external factors which had had an adverse influence upon the course of economic processes in the European countries of CEMA it is necessary to differentiate between two groups: The first originated in the previous time frame; the second did not show up until the 1980's. In the first case, this is primarily a matter of exchange transactions between six of the smaller countries (Bulgaria, Czechoslovakia, Hungary, GDR, Poland, and Romania), which then deteriorated further at the dividing line between the 1970's and 1980's under the influence of a new round of price increases applicable to energy inputs on the world market. This gave rise to far greater requirements for export outputs by these countries. On the other hand, the situation pertaining to the Soviet Union was substantially different because that country is among the leading world exporters of petroleum and natural gas.

During the first years of this decade the pressure exerted by the external economic environment increased contrary to original expectations and a number of new factors emerged. The extraordinarily long economic crisis of the capitalist world (1980-1983) rendered sales in world markets more difficult, revived protectionist tendencies, and, at the same time, revealed the relatively low adaptability of many of the socialist national economies. A sizable limitation of commercial, scientific-technical, and credit relationships between the East and the West, as a component of reprisal measures taken by a number of imperialist states in response to events in Afghanistan and in Poland, placed the task of achieving technical-economic independence from developed capitalist nations in strategically important sectors and branches of the national economy in a short time on the agenda of the day. The rise in interest rates on the world credit market increased the cost of debt services for the socialist countries. In an exacerbated international situation the task of lowering foreign indebtedness with respect to Western banks and governments thus became one of the main priorities of economic policy for a number of socialist countries.

Both from the standpoint of overall results of economic development for European countries of CEMA, as well as from the standpoint of the intensity of the effect of adverse external factors, we can differentiate between two stages in the 1980's: the period 1981-1982 and the period 1983-1984. The effects of adverse circumstances, not only external but also internal, were felt in a most concentrated manner during the first 2 years of the current 5-year plan. It was precisely during this period that the countries of the socialist community of states felt the greatest impact of the world economic crisis connected with many protectionist measures. During this time, they also had to deal with a further rise in prices of imported energy raw materials and with the increased outflow of material assets to foreign countries. During the subsequent period (1983-1984) the economic situation in the European countries of CEMA gradually improved, in no small measure also against the overall background of more favorable developments in world economics, even though the negative effects of many external factors persist.

A more detailed analysis of the progress made by European CEMA countries would show that their reaction to the influence of adverse external conditions was in conformity in the majority of cases. This was primarily a matter of the following decisions:

1) foreign trade must grow more rapidly than production under more difficult conditions;

2) the rate of exports must outstrip the rate of imports so as to thus gain a commercial and payments surplus which would facilitate the lowering of indebtedness in freely convertible currencies;

3) the share of intraregional trade must be strengthened;

4) the group of six smaller countries would have to lower their commercial deficit with respect to the USSR.

A graphic depiction on how this group of six smaller countries and primarily the USSR dealt with the changes in conditions which were brought about by external economic relations at the beginning of the 1980's is presented in Table 1, which captures the data on development of their trade balances for the years 1980-1984.

Table 1. Development of the Foreign Trade Balance of the European CEMA Countries for the Years 1980-1984

Foreign Trade Balance	Year	Six Smaller Countries, Total*	USSR	European CEMA Countries, Total
Total (billions of dollars)	1980	-5.8	8.0	2.2
	1981	-2.6	6.2	3.6
	1982	4.4	9.3	13.7
	1983	6.0	11.2	17.1
	1984**	6.4	12.7	19.1
Involving developed capitalist nations (billions of dollars)	1980	-3.8	0.2	-3.6
	1981	-2.9	-1.2	-4.1
	1982	1.3	-0.1	1.2
	1983	3.2	1.3	4.5
	1984**	4.7	4.3	9.0
Involving developing countries (billions of dollars)	1980	-0.4	2.7	2.3
	1981	3.4	1.2	4.6
	1982	3.9	4.8	8.7
	1983	3.0	4.5	7.5
	1984**	2.4	3.3	5.8
Involving the USSR (billions of rubles)	1980	-1.3	--	--
	1981	-2.3	--	--
	1982	-1.1	--	--
	1983	-0.4	--	--
	1984**	-1.0	--	--

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* Bulgaria, Czechoslovakia, Hungary, GDR, Poland, Romania.

** Preliminary estimate of the UN Economic Commission for Europe.

Source: "Economic Survey of Europe in 1984-1985," ECE, Geneva, 1985.

In comparison with the 1970's, the overall rate of foreign trade turnover for the European countries of CEMA changed considerably, although their economic policy in the foreign economic sphere attained noteworthy results. During a period in which world economics was dominated by stagnation and by a decline in international commerce, the six smaller CEMA countries constantly recorded commercial surpluses with respect to relations with nonsocialist countries, beginning in 1982.

The foreign trade turnover of the six smaller European CEMA countries rose roughly 2.8 percent between 1981 and 1984, including a rise in exports as a result of the selected strategy by about 10.3 percent and imports declined roughly by 4 percent. In constant prices, exports rose by roughly 27.5 percent, whereas imports declined by 2.5 percent. The foreign trade turnover of the Soviet Union for the same period rose by roughly 17.5 percent, including exports which rose by 20 percent and imports which rose by 15.3 percent. In constant prices, the increment in Soviet exports only accounted for not quite 14 percent and imports were virtually 26 percent.

In 1984, there thus developed a surplus in the cumulative balance of foreign trade for the European CEMA countries of a magnitude of roughly $19 billion, of which roughly $6.4 billion fell to the group of the six smaller countries. What is noteworthy is the fact that the entire increment of the surplus last year was again attained (in contrast to 1982) exclusively in trade involving developed capitalist nations. The active foreign trade balance in this category virtually doubled over 1983 to roughly $9 billion, of which approximately one-half is accounted for by the group of smaller countries. The trade surplus involving developing countries declined further during 1984 as a result of their payments difficulties. The six smaller CEMA countries attained the above surplus despite the deterioration of exchange transactions in trade involving freely convertible currencies. However, their trade deficit with respect to the USSR increased slightly again after declining for 1982 and 1983.

This important turnaround in the development of external economic relations made it possible for the six smaller European CEMA countries to lower their indebtedness in terms of freely convertible currencies, beginning in 1982. In 1984, it is estimated that their net indebtedness declined by an additional $6 billion.

Although a certain rise in commercial turnover involving capitalist nations was recorded in the last 2 years, the changing conditions in the world economy led to further shifts in territorial intentions in the foreign trade of CEMA countries; the share of intraregional trade within all of CEMA rose virtually to 60 percent.

It is certain that an orientation toward renewal of external balances by the six smaller European CEMA countries yielded positive results during the course of the current 5-year plans. However, it simultaneously confirms the fact that at the beginning of the 1980's the development of external economic factors had an extraordinarily strong influence, and in some cases a decisive influence, on the economic activities of these countries. Without regard to its essential nature, this orientation seriously influenced the course of internal economic processes and starting conditions for the second half of the 1980's. The transfer of resources to foreign countries meant lower increments in consumed national income, caused limitation of investments for development, and resulted in more modest increases in consumption.

A natural result of the situation during which the majority of the European CEMA countries were forced to constantly attain a trade surplus at the beginning of the 1980's in order to, thus, compensate for the effects of the unfavorable developments in exchange transactions and particularly in order to be able to lower the burden of foreign debt was the fact that the volume of consumed national income grew at a much slower rate than produced national income, the rate of which, furthermore, was falling behind the level of original intentions (see Table 2).

As is evident from Table 2, consumed national income for the period 1981-1983 increased only for Bulgaria and for the USSR. Of course, even in Bulgaria domestic consumption grew at a slower rate starting in 1982 than did the gross domestic product and more rapidly than consumed national income for the entire period 1981-1983 and, clearly, even last year. In the other countries for which we have data (Romania does not publish annual data on consumed national income), consumed national income for the years 1981-1983 declined on the whole.

Table 2. Development of Produced and Consumed National Income, Consumption, and Net Capital Formation in the European Countries of CEMA* During the Period 1981-1984 (Annual Changes Given in Percent)

Country	Indicator	1981	1982	1983	1984
Bulgaria	Produced NI	5.0	4.2	3.0	4.6
	Consumed NI	7.7	1.9	1.2	...
	S	5.3	3.7	2.9	...
	A	14.8	-3.3	-3.6	...
Czecho-slova-kia**	Produced NI	-0.1 (0.8)	0.2 (0.6)	2.3 (2.7)	3.0 (3.2)
	Consumed NI	-3.4	-1.6	0.7	...
	S	2.6	-1.1	2.7	2.3**
	A	-21.7	-3.6	-7.2	...
Hungary	Produced NI	2.5	2.6	0.3	2.8-3.0
	Consumed NI	0.7	-1.1	-2.7	0
	S	3.0	1.4	0.6	...
	A	-8.6	-12.4	-20.4	-8-9
GDR	Produced NI	4.8	2.6	4.4	5.5
	Consumed NI	1.1	-3.2	0.4	...
	S	2.7	1.3	0.9	...
	A	-3.3	-20.1	-1.9	...
Poland	Produced NI	-12.0	-5.5	6.0	5.1
	Consumed NI	-10.5	-10.5	5.4	5.0
	S	-4.6	-11.5	5.6	...
	A	-27.6	-6.6	4.9	...
USSR	Produced NI	3.3	3.9	4.2	3.0***
	Consumed NI	3.2	3.6	3.6	2.6
	S	4.0	1.2	2.9	...
	A	0.9	11.0	5.8	...

NI--national income; S--consumption; A--net capital formation.

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* Not counting Romania, which does not publish this type of data.
** Gross national product in parentheses.
*** Estimate by the UN Economic Commission for Europe.

Source: "Statisticheskoy yezhegodnik stran-chlenov SEV 1984," Finansy i statistika, Moscow, 1984; "Economic Survey of Europe in 1984-1985," ECE, Geneva, 1985.

This development did not remain without influence upon the share of capital formation and consumption in consumed national income, without influencing the overall structure of domestic consumption. With the efforts of economic policy to maintain the extent of consumption in a situation during which the increments in disposable resources were lowered, the results were that the share of consumption (personal and social) in consumed national income was increased whereas the capital accumulation component was considerably lowered. In fact, we can state that accumulation became more of a residual factor which remained after the losses caused by developments of exchange transactions were compensated for and after the need to lower the foreign debt and the need to maintain or raise the achieved level of personal and social consumption were satisfied. Consequently, as Table 2 confirms, the rate of accumulation for the period 1981-1983 declined whereas the share of consumption in consumed national income rose. Only the USSR did not once record a decline in accumulation during the years under investigation and its overall rate increased. The result of this development in the investment sphere was that, with the exception of Poland, the share of investments in the national income [declined] and, in the majority of cases, this share dropped below the levels anticipated by the 5-year plan.

Positive Turnaround in the Last 2 Years

As was already stated, the rate of growth of national income for the European countries of CEMA underwent a certain positive turn during the last 2 years. The national income in the region increased by 4.1 percent in 1983 and by 3.6 percent last year which, in comparison with 1981-1982, represents an express acceleration of its growth. Formerly, it might be correct to date the above turnaround from 1982 when the cumulative increment in the national income rose by 2.8 percent in comparison with the low results of 1.7 percent during the previous year; however, one cannot ignore the fact that the accelerated growth in 1982 was based almost exclusively on developments in the USSR and was, furthermore, dictated by a specific increase in agricultural production (by 5.5 percent, compared with the decline of 1 percent during the previous year). The national income of the six smaller countries of CEMA during 1982 stagnated and, if we exclude Poland, grew by less than it did in 1981 (by somewhat more than 2 percent compared to not quite 3 percent); the rate of growth of industrial production in the USSR, however, declined again. The express acceleration in economic growth during the following year, however, was already supported by an increase in the increment in production growth, both within the group of six smaller countries, as well as in the USSR.

According to the annual plans, national income in the region this year should be experiencing a growth of about 4.2 percent. On this basis, it is possible to judge that the European countries of CEMA are currently striving to maintain the rate of economic development at the attained levels. This is also confirmed by fragmentary information regarding the prepared 5-year plans for the period 1986 through 1990.

As far as development in the individual countries is concerned, Bulgaria, which maintained its economic growth rate at a relatively high level during the entire period of the 1980's, last year recorded an increase in national income of 4.6 percent, compared to 3 percent in 1983; this year's increase is expected to be 4.1 percent according to the plan. In Czechoslovakia last year the national income rose by 3 percent, compared to 2.3 percent in 1983, and is expected to increase by 3 percent this year. Hungary, which like Czechoslovakia had planned a relatively low growth rate for the period 1981 through 1985 and last year also recorded a substantial increase in national income (2.8-3 percent as opposed to 0.3 percent), plans an increase this year of 2.3-2.8 percent. The GDR, like Bulgaria, achieved relatively high rates of growth in national income during the first half of the 1980's (last year, 5.5 percent as opposed to 4.4 percent) and this year is looking for an increase of 4.4 percent.

In view of the past socioeconomic crisis, the case of Poland is completely specific. If we ignore the deep economic decline from the 1979-1982 period, then it must be said that this country again recorded a high growth in national income last year (5.1 percent as opposed to 6 percent), with the plan for this year looking for 3 to 3.5 percent. This indicates that Poland is gradually returning to normal development, even though we cannot overlook the fact that the national income for last year was merely approaching the level achieved in 1975 and that payments conditions involving foreign countries still constitute a great problem despite the agreement involving the so-called Club of Paris.

As far as Romania is concerned, its economic growth last year also speeded up (7.7 percent as opposed to 3.7 percent) and, according to the plan, this process should continue this year (+10 percent). During the first half of the 1980's, the USSR was among the European CEMA countries which were undergoing the most stable development. Its consumed national income for last year, however, grew only by 2.6 percent as opposed to 3.6 percent during 1983, which was the result of the failure of the harvest; this year, an increase of 3.5 percent is anticipated.

Changes in the rate of industrial production over the past few years have been largely in conformance with developments affecting the rate of national income. Following small increases for the period 1981-1982 (2.2 and 2.4 percent), the rate of growth in industrial production virtually doubled during the following 2 years with a 1984 cumulative increment being 4.4 percent, which exceeded the plan and the results achieved in 1983 (4.3 percent) and was the highest since 1978. This year, it is anticipated that the cumulative increment will be 4.1 percent, which again indicates that the effort is currently aimed at maintaining a higher growth rate.

Gross industrial production in the individual European countries of CEMA last year grew as follows: Bulgaria +4.6 percent, Czechoslovakia +3.9 percent, Hungary +3 percent, GDR (market production) +4.2 percent, Poland +5.3 percent, Romania (market production) +6.7 percent, USSR +4.2 percent. With the exception of Poland, where the increment was lower, and the USSR, where it remained the same, all countries recorded a growth rate in industrial production which was higher in comparison to 1983 and, in a number of cases (Czechoslovakia, Hungary, GDR, Poland, USSR) even exceeded planned levels. Only Bulgaria (+5.2 percent) and Romania (+7.5 percent) are anticipating a growth in industrial production for this year.

The increment in gross agricultural production for the six smaller countries of CEMA last year was more than three times higher than was evident from annual plans (6.9 percent as opposed to 2.2 percent) and very specifically exceeded the levels of the previous year (0.8 percent) and those achieved in

1981-1982 (on average by about 1.7 percent). In Bulgaria, gross agricultural production rose by 6.8 percent (as opposed to -7.2 percent in 1983); in Czechoslovakia by 3.6 percent (4.2 percent); in Hungary by 2.5-2 percent (-2.7 percent); in the GDR by 8.5 percent (4.1 percent); in Poland by 5.7 percent (3.3 percent); and in Romania by 13.3 percent (-1.6 percent). In view of these high results substantially lower goals were set for this year.

Gross agricultural production in the USSR was declining in the period 1979-1981; in the following 2 years it recorded high increments (5.5 and 6.7 percent) and last year it stagnated despite the fact that the plan called for a growth of 6.4 percent. For this year, it is expected to increase by 6.7 percent. In the case of the USSR, agriculture exerts a very significant influence upon the resulting rate of economic growth (its share in the national income in 1983 was more than 20 percent). This was confirmed also last year when the stagnation in agriculture resulted in lowering the increment in the national income and, thus, halted the acceleration which had begun in 1983.

In the majority of the European countries of CEMA the main factor determining agricultural results is the harvest of grain. This harvest was outstanding and higher than that of 1983 last year in all cases except the USSR. Bulgaria harvested 9.3 million tons, Czechoslovakia 12 million tons, Hungary 15.7 million tons, the GDR 11.5 million tons, Poland 24.4 million tons, and Romania 23.6 million tons. Overall, the production of grain in the six smaller European CEMA countries thus, for the first time, approached 100 million tons, which is only a little less than the quantities called for by the 5-year plan for 1985 and it is 25 percent more than the average for the second half of the 1970's. According to estimates provided by the Food and Agricultural Organization of the United Nations, last year's grain harvest in the USSR amounted to 170 million tons, which is 30 million tons less than the year before.

As far as productivity is concerned, available direct and indirect data indicate that last year it continued to grow at a rate close to the rate shown by the national income, or even at a higher rate, as was the case in Hungary. In Bulgaria, the entire increment in national income was assured by an increase in the productivity of labor; employment in the production sphere in Czechoslovakia increased by 0.5 percent, productivity in Hungary rose by more than 3.5 percent, in the GDR it increased by 5 percent, and in the USSR the growth in productivity accounted for 94 percent of the increment in the national income.

According to a number of indications, the effectiveness of basic production assets continued to decline in the majority of cases, even though the rate of decline was obviously somewhat slower as a result of the slowdown in the growth of capital assets.

During 1980 to 1982, the economic growth of the European countries of CEMA was limited, among others, by a shortage of selected material inputs. The subsequent increase in production on the part of the responsible branches and imports contributed to the elimination of appropriate bottlenecks. However, preliminary evaluations of the development of the overall material-intensive nature of production in the European countries of CEMA on the basis of comparisons between gross social product and national income do not indicate that some kind of specific improvement had set in in this direction over the past few years. The level of the material-intensive nature of production in the majority of the European countries of CEMA, thus, remains very high in comparison with current technological standards and is roughly 40 percent higher than that recorded by developed capitalist nations.

As has already been stated, the need to create growing trade surpluses led to a decline or a slower rate of growth for consumed national income during 1981-1983 in comparison with produced national income. This, together with an economic policy which stressed consumption over accumulation, had a great influence on investments. On balance, it can be stated that the development of investments in 1981-1984 roughly followed the rate of economic growth. Low increments or actual absolute declines in 1981-1982 were replaced in the subsequent period by a certain increase in the rate of capital construction. With considerable differences between individual countries, the cumulative increase in investments for 1984 was 2.4 percent as opposed to 4.7 percent during the previous year and was not quite an average of 1 percent during 1981-1982. In Czechoslovakia and in Romania, the increment in investments for last year was higher (1.5 percent or 6.1 percent, as opposed to 0.6 percent and 2.5 percent, respectively). In Bulgaria, investments stagnated (compared to an increment of 0.7 percent in 1983); in Hungary, the long-term absolute decline continued; in the GDR, investments also stagnated, as they had done in 1983; in Poland, the very high increase in investments of 1983 (9.4 percent) declined to 8 percent; and in the USSR, the increase in investments declined to 2 percent as opposed to 5.8 percent in 1983. This year, all countries, except the GDR and Poland, anticipate an increase in the growth rate for investments.

Real income for the population, which is the most common indicator of the development of the standard of living, increased in 1981-1984 in all European countries of CEMA. In comparison with the previous 5-year period, however, increases attained were lower. However, such a development had been built into the 5-year plans covering the period 1981 through 1985. Last year, substantial increases in real income occurred in the GDR (+4 percent), USSR (+3 percent), Bulgaria (+2.7 percent), and, according to estimates, also in Romania. In the other countries, real income growth was more moderate and roughly at the level of the previous year. Targets for 1984, however, were fulfilled in all countries.

Key Task of Socialist Economic Integration

The real economic processes under way in the European countries of CEMA and the developments in international policies and the economic situation in the world are very clearly reflected in the process of socialist economic integration. The achieved level of production forces and the degree of mutual cooperation among CEMA member countries, the specific changes in internal and external economic conditions and factors influencing their development, new attempts by some of the most powerful capitalist nations to gain superiority over socialist countries and a number of unsolved questions carried over from the previous era demanded the formulation of a clear path for the further development of socialist economic integration during the current and ensuing periods. This task was fulfilled by the economic consultation of CEMA nations at the highest level [CEMA summit] which took place last June in Moscow. If the conclusions of this summit can be summarized into two fundamental tasks, then they are the strengthening of mutual unity among CEMA member countries and the close interconnection between the production-technical base and scientific-technical progress and capital construction.

Currently, the coordination of national economic plans for the years 1986-1990 is being concluded and the directives of last year's economic summit aimed at coordinating economic policy are being fulfilled within the framework of this coordination as well as through the medium of additional negotiations and actions. This multilateral coordination is connected with bilateral coordination. Bilateral programs of development with respect to economic and scientific-technical cooperation through the year 2000 have already been signed between the USSR and the majority of the other CEMA member countries and a number of similar programs have been concluded between the smaller CEMA countries. In this respect, great attention is being devoted particularly to the introduction and expansion of production of modern machines and installations and to increasing the technical level and quality of mutually delivered products. In the final phase of coordination involving the national economic plans for the period 1986-1990, additional possibilities are being sought for developing economic cooperation, primarily in the form of international specialization and coproduction, possibilities for increasing mutual turnover of goods, for the more thorough utilization of existing production capacities, and mutual pledges are being recorded which have to do with improving the technical level and quality of particularly important types of mutually delivered products.

A substantial part of the work connected with preparing the Comprehensive Program of Scientific-Technical Progress in CEMA Member Countries for the Next 15 to 20 Years, which is supposed to be approved at the 12th Session of the CEMA Council in 1986 in Bucharest, has already been completed.

It is indicative that mutual trade between CEMA member nations is recently developing more rapidly than their overall volume of foreign trade. Whereas foreign trade turnover of the CEMA countries in 1984 exceeded 313 billion transferable rubles, which was 9.7 percent more than during the previous year, mutual trade rose by 10 percent to 185 million transferable rubles and its share in the overall turnover achieved 59.2 percent, as opposed to 58.7 percent in 1983 and 53.8 percent in 1980. Deliveries of machines and installations involved in this mutual trade increased by 12 percent.

From the essence of CEMA, it is clear that member states with more developed economies render aid to less economically developed nations and provide support in developing the principal national economic sectors and take care of their deeper commitment to the international socialist division of labor. The most recent CEMA session in Warsaw indicates that permanent attention needs to be paid to deepening and perfecting cooperation between the European member nations and Vietnam, Cuba, and Mongolia.

Cooperation between CEMA member nations and Yugoslavia is developing well in 23 specific areas of activities of the council. The best results are being achieved in engineering. Trade between both sides last year rose by 12.7

percent to 9.6 billion transferable rubles, with CEMA member countries sharing approximately 43 percent in Yugoslavia's foreign trade turnover.

Recently, cooperation with a whole series of other nations has deepened. A treaty was concluded between CEMA and the Mozambique People's Republic. One of the important results of the 11th Session of the CEMA Council is the expressed intention to expand industrial cooperation with developing countries in the production of finished products with a view toward the interests and possibilities at the disposal of the involved sides. Not even the new initiative by the socialist countries pertaining to the initiation of relationships between CEMA and the European Economic Community can be overlooked.

Real development clearly indicates that the transition of the European countires of CEMA to the path of intensive economic development under difficult and frequently very unfavorable external economic conditions, which are, furthermore, accompanied by the tense international situation as a result of the confrontational course adopted primarily by some political circles in the United States, is, to a considerable extent, dependent on the successful development of the process of socialist economic integration and on the further strengthening of the unity and mutual closeness between the CEMA nations. It is, therefore, only possible to welcome the increased efforts on the part of the socialist states and organs of CEMA which are aimed in this direction and which are quite clearly reflected in the entire period since the CEMA economic summit which took place in June of last year in Moscow.

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EAST-WEST TRADE DEALS

Warsaw POLITYKA in Polish No 2, 11 Jan 86 p 14, supplement POLITYKA EKSPORT IMPORT No 1, Jan 86

[Article: "East-West"]

[Text] HUNGARY-NIGERIA: On the basis of an agreement reached by representatives of the Hungarian commerce headquarters, Komplex, Hungarian enterprises will participate in building grain mills in Nigeria; construction will begin shortly. Elgep, the Hungarian machine company, will be the principal contractor and local Nigerian enterprises will cooperate in the project. The elevator and mills with a capacity of 300 tons daily are scheduled for completion by the end of 1986; after reaching full production capacity, they will operate on a "joint venture" basis with 20 percent Hungarian participation.

HUNGARY-WEST GERMANY: The Hungarian, Hungarcoop, signed a cooperative agreement with the West German firm, Salamander, for the production of 700,000 pairs of high quality men's boots during the second half of 1985. Salamander will provide some of the production equipment.

ITALY-USSR: Snamprogetti, an affiliate of the Italian concern, ENI, will construct a pipeline system for the transport of coal from mines in Belev to Novosibirsk. The system developed by the Italian firm is one of the most advanced systems for transport of coal through a pipeline. The Italians will sell a license for the technology and supply the basic equipment. The value of the contract is approximately 100 billion lira.

HUNGARY-EGYPT: A cooperative agreement was signed in Budapest that provides for the Hungarian Ganz Mawag plants and the Egyptian Tersana Steel Structures firms to begin manufacturing small and medium sized irrigation pumps jointly beginning next year. Some of the components will be produced in Hungary and then assembled in Egypt. Parts manufactured in Egypt according to Hungarian designs will make it possible to assemble complete units. This cooperative agreement was preceded by many years during which Hungarian irrigation equipment was sold and earned a good reputation in the Egyptian market. In 1985 alone, Egyptians ordered 17 intermediate pumping stations worth $6 million from Hungary.

NORWAY-SOCIALIST COUNTRIES: Konsberg Vaspenfabrikk, Norwegian producer of electronic equipment, established a trade firm, Konsbergtrade, especially for conducting barter transactions with the USSR and other socialist countries. Konsbergtrade plans to open an office in Moscow. During the last several years, Konsberg was selling the USSR equipment valued at 100 million kroner annually. The Norwegian firm also intends to represent other Norwegian producers interested in selling their products to socialist countries.

YUGOSLAVIA-NORWAY: The Uljanik shipyard in Pula, Yugoslavia, launched a ship 210.5 meters long and 48 meters wide, ordered by Norway. The ship is equipped with a 10,840 kW motor, the first of this size produced by this shipyard. This year the Uljanik shipyard built six large marine units intended for export; income from this activity was $170 million.

U.S.A.-HUNGARY: The well-known American magazine, SCIENTIFIC AMERICAN, will be published in Hungarian. The magazine will be licensed to be printed in Hungary and every issue will contain an additional insert edited by Hungarian scholars.

USSR-BURKINA FASO: Technointorg will supply Burkina Faso with 30 film projectors to be installed in movie theaters. A group of projectionists from Burkina Faso visited Leningrad where they became acquainted with using and servicing the Soviet equipment.

EAST GERMANY-FINLAND: Two long-term agreements were signed in Berlin by representatives of the Finnish firm, Kemira, and the German firm, Kali-Berghan. The agreement covered the sale of potassium fertilizers to Finland and processing of potassium salts obtained from East Germany into potassium sulfates in Finland.

JAPAN-HUNGARY: One of the departments of the Japanese firm, Mitsubishi, will supply the Hungarian paper mill in Nyiregyhaza with equipment for processing paper. This contract was concluded within the framework of the line of credit accorded Hungary by the World Bank amounting to $7.5 million.

GREAT BRITAIN-YUGOSLAVIA: ICL, The British computer company, will supply the Robna Kuce network of shops in Belgrade computerized cash registers which will make it possible to keep track of merchandise sold. The equipment is valued at more than £1 million.

BRAZIL-CUBA: At a cost of $3 million, Cuba bought equipment for alcohol distilling plants from the Brazilian firm, Codistil. This equipment has a production capacity of 60,000 liters of pure alcohol daily. It will be used to produce rum, a basic Cuban export.

BELGIUM-USSR: The Belgian steel company, Sidmar, is increasing export of steel to the USSR. Within the framework of a long-term contract, it was agreed that export of sheet steel would be increased from 240,000 to 500,000 tons annually in 1990. The Soviet automotive industry will be the principal recipient of the sheet steel.

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CEMA CURRENCIES CONVERTIBILITY NOT LIKELY

Warsaw GOSPODARKA PLANOWA in Polish No 7-8, Jul-Aug 85 pp 418-420

[Article by Marian Guzek: "Possibility of Introducing Currency Convertibility in CEMA Countries"]

[Text] The first question that requires explanation is whether the lack of currency convertibility in CEMA countries thus far is more the result of its being rejected as a negative phenomenon by economic policy or whether this lack is caused by a fear of the consequences, potentially difficult to overcome, that would accompany the introduction of currency convertibility under conditions that did not favor it.

It seems that despite a certain resistance in some countries, the numbers of decided opponents of convertibility is not large either among theoreticians or among practitioners. Moreover, this resistance pertains not to convertibility in itself, but to the market mechanism connected with convertibility. We may assume that absence of convertibility is due mainly to the fact that conditions for its introduction are not ripe and to the anticipated impossibility of effectively overcoming the difficulties it would engender.

This statement may evoke doubts in light of the fact that some underdeveloped countries introduced convertibility of their currency despite conditions poorer than those in socialist countries. This is true, but there is a difference between underdeveloped countries and socialist countries in that the former agree to make their production structure dependent on current signals from the world market even if this means petrification of a single-crop economy, while the socialist countries aspire, regardless of type of economy in place, to formulate the economic structures in a way different from the directions indicated by current signals of the world market, even if these aspirations are not accompanied by modernizing the structure of export in the sense of actually increasing the export proportion of industrial manufactured goods.

These points lead to the conclusion that the possibilities of introducing convertibility in socialist countries depend on whether these countries will give up the aspirations mentioned while the internal economy develops, reconciling themselves to the effects of convertibility, even such effects as are evident in underdeveloped countries, or whether they will be able to bring to a sufficient maturity conditions that would ensure positive results of convertibility, as has happened in highly developed countries.

To accept the idea that absence of convertibility is not the result of voluntarism, but an objectively based solution under economic conditions that have existed thus far (among which we might also include the government's developmental preferences), the question as to how these conditions would have to be changed in order for convertibility to be introduced becomes important

From the historical experience of the highly developed countries, it is evident that successful results of convertibility depend on a pro-export structure of branches of industry created before convertibility is introduced. This statement may seem controversial, particularly in connection with the conviction, universal in Poland, that it is specifically currency convertibility that can ensure structural transformation of production and the formation of highly specialized areas of manufacturing. This is actually a proper conviction, but only with respect to the assortment structure of production within the framework of specific branches of industry. Pro-export branches do not appear, however, as a result of introducing convertibility, but as a result of a long-term development policy of the country together with protective measures. To the extent that typical protective measures (duties, compensatory taxes, subsidies, taxes, etc.) have a selective effect, a particular protective measure has a universal effect, that is, it touches the whole economy and not selected branches; lack of currency convertibility can be recognized as one such measure. Fitting the type of protective measure and the force of effect of a protective measure to long-term structural preferences of the country is a matter of no small importance.

If only a very few branches are going to be strongly protected, when the country already has a firmly established and desired economic network structure, then there is no merit in resorting to maintaining nonconvertible currency since normal, selective protective means will suffice. But if the structure of the whole economy is flawed and the country wants to bring about its transformation, then it can use nonconvertible currency. Examples of this procedure can be found in the history of highly developed capitalist countries. Japan can serve as the most recent example; it introduced convertibility not at the beginning, nor even in the middle of the industrialization process, but only after the formation of a secure pro-export structure of its industrial branches.

Nevertheless, using nonconvertible currency is not enough to attain such effects, as is apparent in our country and in other countries, and that includes nonsocialist countries. I will discuss the reasons for this shortly, but now we must answer the question as to whether the branch structure created in socialist countries thus far is rational enough to not require particular protection in the form of nonconvertible currency or whether it continues to need such protection.

It seems that with respect to most countries, we may admit at the outset that the first of these possibilities fits, with the exception of poorly developed socialist countries. In a country such as Poland, it is difficult to admit that we have a pro-export network structure in spite of the fact that an adequate number of industrial branches are represented in the economy, and what we are concerned with is only proportional changes among them, which is an easier task than creating new branches of industry from the bottom up. More precisely we should say that this task would be easier if besides the typical selective protective means that correct the flow of commerce, effective additional economic mechanisms resulting from the introduction of convertibility might be applied, specifically a mechanism of rational allocation of investment that would make the level of pro-export reorganizations of the branch structure directly dependent. This pertains to systemic questions which will be discussed below.

The most important questions connected with the transformation of systemic conditions, inevitable from the point of view of convertibility, are the following:

--does the order-distributive model allow introduction of convertibility?

--will a transition to a decentralized system ensure attaining the expected results of convertibility?

Although convertibility has not been introduced in any socialist country whose economy operates according to principles of a centralist model, on theoretical grounds such a measure might be possible in this model if quantitative limits of import and qualitative export tasks were given up and were replaced by limits and tasks established according to value in the aggregate sense. (An indispensable condition would also be the creation of substantial reserves of hard currency. This condition is linked to the state of the balance of payments and might create serious difficulties during less favorable periods. We will bypass this matter as being secondary as against structural and systemic reorganizations.) The efficacy of convertibility would depend then on the reaction of the foreign trade apparatus and the production apparatus to the changing foreign demand resulting from the partners' accumulating Polish currency and from the behavior of Polish producers and importers who could acquire hard currency for imports.

If these reactions would not lead to the formation of specialized export centers in manufacturing to compete on the world market within a framework of branch structures regulated directly by the central authorities, we would have to deal with the fact that the money generated by foreign demand would flow in the direction of raw materials and agricultural products, which would consolidate the traditional export structure and would make it more difficult to realize the structural intents of the central authorities. Thus, getting beneficial effects from convertibility depends on a properly performing mechanism of allocating funds within the branches, including hard currency funds bought by the enterprises. This problem is connected with readiness to undertake the risk of switching the production apparatus to the needs of export. Therefore, if we were not to create additional conditions to ensure attainment of the desired effects from convertibility, its introduction alone, though theoretically possible, would not serve its purpose.

In the extreme case, after introducing convertivility, the internal market might become stripped of goods subsidized by the state (mainly food products). In order to avoid this, it would be necessary to introduce rigorous export barriers. This would only mean a drop of foreign demand for Polish currency, which would have to be devalued, reinforcing inflation processes. Scarcity of hard currency would make the central authorities resort to reestablishing controls. Thus, there would be a retreat from convertibility, or, in the opposite event, an increase in inflation. Both possibilities at least point to the negligible likelihood of introducing convertible currency (even to a limited extent) in countries that have centralized administrative systems.

Now we must consider the question formulated previously: is it possible to attain the desired effects of convertibility in an economy reformed according to market principles? At the outset we must say that in such a system, the introduction of convertibility in itself is significantly easier and more likely. On the one hand, convertible currency is a logical element of the market mechanism, and on the other, reforms of this type are accompanied by the widespread conviction that, in comparison with the order-distributive model, they ensure such far-reaching transformations of conditions of management that it is realistic to expect complete efficiency of the market system, including the currency market, similar to that in the highly developed capitalist countries.

Unfortunately, this is excessive optimism. Even on theoretical grounds we can state that in a socialist economy, the market mechanism cannot operate as efficiently as in a capitalist economy since adopting the market mechanism does not mean carrying over with it the mechanism of allocation of funds that operates in a capitalist economy. This mechanism is based on private profit, which constitutes the motivation for undertaking a great risk, and stimuli such as dividends are an incentive for saving for the purpose of making investments according to the principles of maximizing profit. The experience of socialist countries with decentralized systems, specifically Yugoslavia, indicates that personnel of enterprises are interested in spending most of current pay on consumer goods, and development funds are not sufficiently fed; this results in investments having to be financed by central authorities from inflation or from external sources (that is, foreign credits). However, even saved or newly created funds are not invested in a manner that would ensure a pro-export industrial structure. This makes it difficult to take advantage of the attributes of convertibility (just as it does, after all, of unemployment, which was introduced in Yugoslavia, but had no real influence on efficiency or productivity of labor).

Real progress in introducing convertibility might be achieved after deeper reforms than have been realized thus far, reforms that would eliminate both the lack of a mechanism of rational allocation of funds and the lack of a system of motivation, especially in investment activity. This, however, does not seem possible in the current decade.

In conclusion, we may therefore say that because of the difficulty in changing the conditions that are decisive in the positive effects of convertibility, there is very little likelihood that currency convertibility will be introduced in CEMA countries. This does not mean, however, that introducing convertibility has ceased to be a task worthy of postulation. The degree of reality of this postulate also depends, after all, on the objective and geographic scope of convertibility. Convertibility limited to certain CEMA countries, and limited to only some of their foreign operations and some of materials authorized for obtaining foreign currency, is more likely. Less likely is complete convertibility not only with respect to currency of capitalist countries, but also with respect to currency of CEMA countries.

The realization of limited currency convertibility would facilitate achieving a pro-export orientation in industrial manufacturing, accumulation of more substantial hard currency reserves, introducing a competent currency course coupled with a system of so-called protective norms as means of realizing the preferred economic structure, and creating incentives for the external partners to invest deposits in Poland.

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ISSUES IN CPSU CONGRESS RUN-UP EXPLAINED

AU301337 Warsaw TRYBUNA LUDU in Polish 27 Jan 86 p 6

[Article by Fyodor Breus, NOVOSTI: "A Look Into the Future"]

[Excerpt] "Competition is being displaced by automatization"--this was the conclusion a certain Western observer arrived at after familiarizing himself with the draft documents which are currently being discussed by the Soviet public and will be discussed at the 27th CPSU Congress which will open in Moscow on 26 February 1986.

Still, I think this startling conclusion is clearly unequivocal if it represents an assessment of the new phase of competition between socialism and capitalism. The USSR does not close its eyes to the results produced in Japan and the United States through the exploitation of scientific and technological achievements and in the advanced industrial countries of Western Europe chasing after them. We are considering their achievements and our own enormous economic and scientific and technological potential in assessing possibilities for the next 5 years and the period leading up to the beginning of the next century.

This view of the future has been given a theoretical and concrete foundation in the form of the new version of the party program and the draft document on the fundamental directions of Soviet economic development until the year 2000.

The fundamental directions of activity are as follows: The country's economic potential is to be doubled over the next 15 years; it is envisaged that industrial output will at least double; the process of introducing industrial methods of operation into agriculture will be completed, and this will result in agriculture being less affected by infavorable climatic conditions.

The raising of productivity levels to the highest world levels has been made a task. Productivity will have to rise between 2.3 and 2.5 times. The rise in productivity alone will ensure that national income and material production increases. Shifting the economy from an extensive to an intensive pattern will make it possible to satisfy the 75-80 percent increase in the demand for fuels, energy, and raw materials by reducing their consumption in every sector.

During the 1970's many theoretical discussions and practical searches were conducted with the aim of bringing workers into the control and management of production. Sociologists assured us that the scientific and technological revolution, and our "entry into the technotronic age" would not hinder the development of "industrial democracy" but on the contrary would "open up unprecedented opportunities."

It has become apparent since then that the discussion on "democracy in the workplace" that were conducted during the last decade have not gone beyond the narrow confines of auditoria, neither in the United States or the FRG, nor in Great Britain, France, and Italy.

In recent years, the Soviet Union and other socialist countries have been working on ways of accelerating the scientific and technological revolution and in doing so they have conducted experiments aimed at improving the management of the economy and the fuller realization of the advantages of socialism in production democracy. Participants in these experiments have displayed increased interest in the use of such levers as profits, cost effectiveness analyses, pricing, and the creation of enterprise development funds--that is funds for the technical modernization of production--and funds for material and other incentive systems.

All these initiatives provoked an immediate response in the West. "Sovietologists" called these initiatives moves toward "market socialism" and they regarded the development of collectivity in management as "stifling the rights of the individual."

We know that we are not living in an ideal society yet. We know that someone who occupies an active place in life often finds that struggling with bureaucrats and defrauders, or economic activists engaged in crooked practices, costs a lot of nerves. Communists provide an example in the struggle to ensure the triumph of the socialist way of life whose features predominate in society.

In the context of our discussion of the role that the Soviet citizen can play in the running of society and the economy and his opportunities to develop self-management bodies from below, we have a right to declare that in the human rights sphere, beginning with employment, we are well ahead of the West.

This does not mean that everything is perfectly all right and that we are pleased with everything. Let us at least consider the Leninist conception of self-government of which the new draft CPSU program reminds us. It has nothing in common with the anarchosyndicalist version of self-government which is incompatible with socialist statehood and is based on group ownership and deals exclusively with group interests. True self-government, stresses the CPSU, is based on social ownership and unites in itself state, collective, and personal interests.

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CSO: 2400/201

CPCZ'S HOFFMANN ATTENDS HUNGARIAN TRADE UNION CONGRESS

Heads Czech Trade Union Group

LD141421 Prague Domestic Service in Czech 1000 GMT 14 Feb 86

[Excerpts] The 25th congress of Hungarian trade unions began in Budapest today.

Taking part in the congress will be the delegation of the Czechoslovak Central Council of Trade Unions led by Karel Hoffmann, member of the CPCZ Central Committee Presidium and chairman of the Central Council of Trade Unions.

Conveys Greetings to Gaspar

LD141611 Prague Domestic Service in Czech GMT 14 Feb 86

[Text] Hungary: Karel Hoffmann, member of the CPCZ Central Committee presidium and chairman of the Central Council of Trade Unions, presented a letter of greetings from the Central Council of Trade Unions to the 25th Congress of Hungarian Trade Unions to Sandor Gaspar, member of the MSZMP Central Committee Politburo and chairman of the Hungarian National Trade Union Council. On behalf of Czechoslovak trade unionists the letter conveys cordial greetings to the congress and expresses conviction that the present session will result in another step forward in the building of a developed socialist society in Hungary. The document says that both trade union organizations concentrate their efforts to help in fulfilling the demanding tasks of the economic integration of CEMA countries and to secure the high standard of living of the workers which has been achieved. This is effectively aided by the very good cooperation which we are determined to continue to develop and to deepen cooperation between Czechoslovak and Hungarian trade uions in international activity is also developing successfully. The document emphasizes that we will continue to support efforts to achieve action unity of the European and World Trade union movement aimed at a successful struggle for the life interests and security of workers, for social progress, for socialism.

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CSO: 2400/201

AUSTRIA-CSSR RELATIONS CALLED 'BEST SINCE WW I'

AU121441 Vienna WIENER ZEITUNG in German 12 Feb 86 p 3

[Text] Between the CSSR and Austria there are at present the "best developed relations" since the establishment of the two republics after World War I -- this was stated on Monday [10 February] by Marak Venuta, CSSR ambassador in Austria, at the opening of a Czechoslovak Week of Culture at the Vienna-Brigittenau adult evening school.

The Bratislava meeting between President Rudolf Kirchschlaeger and CSSR President Gustav Husak on 31 January has again shown the wish of both sides to live as good neighbors, he said, adding that the conclusion of a Czechoslovak-Austrian environmental protection agreement is imminent. Further negotiations on the development of the joint Danube sector would be in the interest of both countries, he said.

According to Venuta, Austria is playing an important part in CSSR foreign trade; with a share of 16 percent of the CSSR entire trade with the West. It is the CSSR's second-biggest Western trade partner. In 1985, imports from Austria went up more than 19 percent, while exports to Austria increased by 6 percent. Thus Austria's deficit in trade with the CSSR declined. Over 90 percent of CSSR imports from Austria consist of finished goods (main partners are the VOEST Apline and the Chemie Linz company), while only one quarter of CSSR goods exported to Austria are finished goods, Venuta declared. He added that economic joint ventures could be expanded, and that cooperation in third markets could be further intensified. In Prague, construction work for the biggest hotel project in the CSSR capital will start shortly with an Austrian construction company being in charge of the project.

Last year as many as between 15 and 17 million tourists visited the CSSR, including 130,000 persons from Austria, while 130,000 CSSR citizens visited Austria, Venuta said. In 1985, about 164,000 visas were issued to Austrian citizens, about as many as in 1984. In general, the issuance of a CSSR visa now takes only 30-50 minutes; 20,000 visas were issued free of charge, mostly for official duty trips, he said.

The cultural and sports exchange between the CSSR and Austria is increasingly flourishing, Ambassador Venuta stressed. In November, "Days of Culture" are to be held in Austria with opera performances, exhibits and so forth, corresponding to the successful Austrian "Days of Culture" that were held in the CSSR in 1983. An agreement between Prague's Charles University and the Vienna University will be concluded in the near future. Youth exchange programs between the two countries are also to be expanded, Venuta declared.

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CSO: 2400/201

RUDE PRAVO NOTES DISSATISFACTION WITH ROBOT PRODUCTION

AU071300

[Editorial Report] Prague RUDE PRAVO in Czech on 6 February on page 4 carries a 1,000-word Vaclav Marek article entitled "What About Robots?" The author says, among other things, that the state goal-oriented program for the development and application of robotics in the past 5-year plan envisaged that in 1985 a total of 3,108 robots would be in operation, of which 1,505 automated technological worksites were to be set up. However, "reality exceeds the origional intention." In 1985, there were 4,174 robots and handling devices [manipulatory] and 1,564 technological worksites "realized," with the help of which 2,871 production workers could be "saved," working conditions in many places improved, and backbreaking and monotonous work eliminated.

Thus, as regards numbers, satisfaction previails. "But, to tell the truth," Mrek continues, "three are also a quite a few things we did not succeed in mastering, things with which we still cannot be satisfied. Thus far, for example, robots in enterprises are mostly deployed individually, in partial operations. That cannot be as effective as the robotization of whole sections or whole operations. Group deployment, which is rapidly spreading throughout the world, is still an exception in our country."

This has been caused by the "poor work" on part of project-coordinating quarters, whose duty is to offer the "user" an automated complex. Thus far, however, deliveries of "bare" [hole] robots predominate, for which the user has a lot of trouble getting peripheral equipment. To date, says Marek, "robotization predominates in enginerring, while in other branches is asserts itself only slowly." He adds that there is "a fair amount of indiscipline in the development and production of robots," because in the aforementioned, figures special-purpose robots predominate, which organizations manufactured for their own particular needs. The plan for mass production of robots has not been fulfilled.

Prices of robots -- which are "far too high" -- are also under constant discussion. "Although the government adopted some measures to stimulate robotization, in essence these measures have not acquitted themselves well," because the production base has not changed. There are many manufacturers, but the majority of them produces only piecemeal, despite the fact that the series of robots manufactured elsewhere in the world grow constantly bigger. "Also parts and components, particularly electronic components, from which robots are assembled, are expensive," Marek says.

"The goal-oriented program counted on the construction of specialized enterprises for robot-manufacture. However, out of five projects only one was realized. Thus far, robots are being manufactured in provisional premises originally destined for something else, without technological equipment, with a great labor input. That, understandably, also influences prices."

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SUGAR PRODUCTION FALLS 14.1 PERCENT SHORT OF PLAN

AU101210 Bratislava PRAVDA in Slovak 7 Feb 86 p 2

[Jane Janku article: "Teamwork Distinguishes a Good Collective: The Difficult Sugar Campaign Accentuated Organizational (In) Competence"]

[Excerpts] Sugar production is a continuous process. If its rhythm is upset by raw material of poor quality or by incorrect managerial or organizational measures, it is difficult, just like in music, to find the right beat again. This image used by Engineer Stefan Minarik, director of production of the Sugar and Sweets Industry concern in Bratislava, explain why, despite virtually identical conditions, individual Slovak sugar refineries achieved disparate results during the past sugar campaign.

The campaign, which lasted more than 100 days, demonstrated once again that it is advisable to speak of the harvest only after it has all been brought in. Let us recall how much optimism was generated by the sight of the sugar beet fields at the beginning of September. Experts predicted that the planned procurement of 2,095,600 metric tons of sugar beets would be not only fulfilled, but overfulfilling. The subsequent 75 days without rain and the severe frost in mid-November caused that the reality began to diverge from the forecasts. The beets not only stopped to grow and gain in weight in the dry soil but, which was even more consequential, they broke when plowed up, which greatly increased harvest losses. The final procurement balance sheet was 1,858,879 metric tons of sugar beets, more than 10 percent short of the plan.

Yet it is not only the quantity of sugar beets that determines the quantity of the produced sugar. Equally important is the beets' sugar content. The beets' sugar content for the economic production unit as a whole averaged 15.6 percent (in the Phhronsky Ruskov refinery it was as much as 16.5 percent), which was among the highest results in history. It was, for example, 1.52 percent higher than last year. However, shortcomings in treating and handling the sugar beet stocks -- particularly in the sugar refineries in Trnava, Sladkovicovo, Surany, Dunajska Streda, and Trebisov -- brought about a deterioration of the stocks' condition and a disproportionate difference between the sugar content at the time of procurement and at the time of processing. This had a market impact on the final production of sugar. Actual production fall 14.1 percent short of the planned sugar production of 232,000 metric tons, with only two sugar refineries -- those in Trencianska Tepla and Nitra -- successfully coping with tuier tasks. This represents substantial deterioration compared with preceding sugar campaigns.

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CSO: 2400/201

BRIEFS

ALGERIAN MINISTER RECEIVED--Lubomir Strougal, premier of the federal government, received in Prague today Selim Saadi, minister of heavy industry of the Democratic and Popular Republic of Algeria. During the talks Strougal praised the foreign policy of Algeria and its active participation in solving international questions and problems. Lubomir Strougal also empahsized that relations between both countries are based on traditional friendship and cooperation which has found expression in political, economic, and cultural areas. Both representatives emphasized that if is necessary to make more effective use of these favorable conditions for growth in the exchange of goods, wider production cooperation, and development of cooperation in science and technology. [Text] [Prague Domestic Service in Czech 1730 GMT 12 Dec 85] /12640

CONSTRUCTION OF TV TRANSMITTERS--The 15th and 16th transmitters for the second television program are being built in Slovakia by employees of the Telecommunications Administration. The two transmitters, located at Banska Stivanica-Sitno and at Snina, will be put into operation in 1987 and 1988 respectively. The erection of three more basic transmitters will then complete the building of the network of installations for the exception of the second television program. Improving reception in smaller localities will necessitate the construction of so-called booster stations [televizni preyadec]. The number of such stations will increase by 30 in the Slovak Socialist Republic this year, of which 22 will be for the second television program. The remaining eight booster stations will improve the network for the first program. [CTK report on the "By Teletype, Mail, Telephone..." column] [Text] [Prague RUDE PRAVO in Czech 6 Feb 86 p 2] /12640

HOFFMANN, KAPEK ATTEND TALKS--The secretariats of the Central Council of Trade Unions and the Prague City Committee of the CPCZ had a joint session in Prague today. The deliberations were chaired by CPCZ Central Committee Presidium members Karel Hoffmann, chairman of the Central Council of Trade Unions and Antonin Kapek, chief secretary of the Prague City Party Committee. In the introduction, they talked about improving the living, health and social conditions of the working people of Prague, as well as of retired workers and children. They noted that a number of tasks have been secured and that the coming period places increased requirements on the development of the material technological basis of health care, improving working environment and efficient use of the objects of enterprise trade union recreation. The discussion focussed attention on coordination in developing the appeal of the Prague City party organization and of the Prague enterprises on the occasion of the 17th Congress of the party by linking science with production, modernization, creative effort of collectives for fulfilling the tasks of the Eighth 5-Year Plan, and the initiative of the Central Council of Trade Unions for lowering material expenditure by 0.5 percent, increasing labor productivity by 1 percent and quality of production in comparison with the tasks set by the state plan. [Text] [Prague Domestic Service in Czech 2030 GMT 11 Feb 86] /12640

SLOVAK SR AGRICULTURAL COMMISSION MEETS--The Central Commission for Repairs, Supply of Machinery and Spare Parts of the Slovak SR Ministry of Agriculture and Food was in session in Nitra today. Those present discussed the problems of supplier-customer relations between machinery and tractor stations and agricultural enterprises, and especially the care of agricultural machinery and its preparation for the first stage of spring work. The commission noted that over 20 percent of necessary mahcinery is still to be repaired in Slovakia. The supply of spare parts, however, is better than in previous years; this creates conditions for the successful completion of repair of agricultural machinery for spring work by the end of February. [Text] [Bratislava Domestic Service in Slovak 2030 GMT 10 Feb 86] /12640

VIETNAMESE MINISTER ARRIVES--Prague Feb 13 (CTK)--Vietnamese Foreign Trade Minister Le Khac arrived here today on an official visit. Later in the day talks began between the Vietnamese minister and his Czechoslovak colleague Bohumil Urban on ways of intensifying economic cooperation and trade between Vietnam and Czechoslovakia. [Text] [Prague CTK in English 1636 GMT 13 Feb 86] /12640

SOVIET ENVOY PRESENTS AWARDS--Viktor Lomakin, the Soviet ambassador to Czechoslovakia, today in Prague presented honorary Soviet awards, shock worker of the Eleventh 5-Year Plan [Udernik Jedenacte Petrocnice], to 66 of the best workers, technicians and research workers from all areas of the national economy of the Czech Socialist Republic. He also praised their constructive efforts in the successful fulfillment of export orders for the Soviet Union last year and in the development of international competition. Viktor Lomakin pointed out that Soviet and Czechoslovak workers will welcome the forthcoming conferences of communists in both countries with better results. He emphaszied that all of their efforts are aimed at speeding up the intensification of the national economy, to increasing the quality of production on the basis of rapidly implementing the achievements in science and technology. Vaclav Bezel, deputy chairman of the Central Council of Trade Unions, chairman of the Czech Council of Trade Unions, pointed out the growing importance of international competition in deepening Soviet-Czechoslovak economic cooperation. Present at the ceremony were Jindrich Polednik, secretary of the CPCZ Central Committee, and other representatives from political and public life. [Text] [Prague Domestic Service in Czech and Slovak 1600 GMT 13 Feb 86] /12640

POLISH TRANSPORT PROTOCOL--A transport protocol for 1986 between Czechoslovakia and Poland was signed yesterday in Gdynia. It sets out conditions for the volume of Czechoslovak transit through sea ports in Poland and Polish transit across Czechoslovak territory. It is expected that transit of Czechoslovak goods through Polish ports will reach a figure of 2.6 million metric tons, which is 550,000 metric tons more than last year. [Text] [Prague Domestic Service in Czech and Slovak 0100 0100 GMT 14 Feb 86 LD] /12640

LENART, SALGOVIC VISIT ENTERPRISES--Jozef Lenart, Presidium member of the CPCZ Central Committee, first secretary of the CPSL Central Committee. and Villiam Salgovic, Presidium member of the CPSL Central Committee, chairman of the Slovak National Council, paid a working visit to the Central Slovak region today. They visited the Slovak National Uprising Enterprise at Ziar Nad Hronom, where they were briefed on the most important tasks in the investment construction of this metallurgical combine--modernizing the production of aluminum. They further viewed the enterprise of secondary metallurgical production and visited a foundry for the production of automobile industry parts. [Text] [Prague Domestic Service in Czech 1530 GMT 14 Feb 86 LD] /12640

CSSR-SRV TREATY ANNIVERSARY--A festive meeting was held in the port of Haiphong today to mark the sixth anniversary of the signing of the Treaty of Friendship and Cooperation between Czechoslovakia and Vietnam. It was attended by Doan Duy Thanh, member of the Central Committee of the Communist Party of Vietnam and chief secretary of the Haiphong City Party Committee; Bohuslav Handl, the Czechoslovak ambassador, and other figures. With the assistance of the Czechoslovak trade union movement and to mark the sixth anniversary of the signing of the treaty, construction has begun of the Cultural House of Vietnamese-Czechoslovak Friendship. [Text] [Prague Domestic Service in Czech and Slovak 1800 GMT 14 Feb 86 LD] /12640

CSSR, VIETNAM SIGN TRADE AGREEMENT--Prague: A long term agreement for 1986-90 between Czechoslovakia and the Socialist Republic of Vietnam was signed today in Prague. A protocol on the exchange of goods and payments between the two countries for 1986 was signed at the same time. Czechoslovakia will export to Vietnam mainly traditional engineering products such as locomotives, telecommunications equipment, machine tools, trucks, and other products. We will import raw materials, food, and consumer goods from Vietnam. [Text] [Prague International Service in Czech and Slovak 2230 GMT 14 Feb 86] /12640

ALGERIA, CSSR TO INCREASE COOPERATION--Prague, 15/02/86 (APS)--Works of the eighth session of the Algero-Czechoslovak committee were sanctioned on Friday in Prague by the signing of a cooperation proceedings between the two countries. [sentence as received] In this regard, a certain number of decisions were defined, aiming at the reinforcement of the industrial cooperation through the joint achievement of projects examined by the operators of the two countries. On the commercial plan, negotiations are to be carried on to define a many-year programme of exchanges. [Text] [Algiers APS in English 1337 GMT 15 Feb 86] /12640

CZECHOSLOVAK-MONGOLIAN AGREEMENT SIGNED--Ulaanbaatar Feb 19 (CTK)--Foreign Trade Ministers Bohumil Urban of Czechoslovakia and Jamsrangiyn Dulmaa of Mongolia signed here today an agreement on exchange of goods and payments for the 1986-1990 period providing for about a one-third increase in their trade turnover over the previous 5-year period. Czechoslovakia's exports to Mongolia will include mainly diesel sets, equipment for the leather, footwear and clothing industries, equipment for cement plants, medical equipment, and also buses, chemicals, medicines and consumer goods. Mongolia will supply Czechoslovakia with cooper, tin and tungsten concentrates, fluorite, wool, leather, furs and other kinds of goods. Bohumil Urban was received today bv Mongolian Premier Dumaagiyn Sodnom. [Text] [Prague CTK in English 1634 GMT 19 Feb 86] /12640

CSO: 2400/201

BRIEFS

WORKERS LEAVE FOR KAZAKH OILFIELDS--Budapest, 18 Jan (TANJUG) [dateline as received]--The first group of Hungarian workers recently left for Kazakhstan, where they will work in oil fields under an agreement signed between Hungary and the Soviet Union. From 4,000-5,000 Hungarian workers will be working in oil fields in Kazakhstan in the coming years, in return for which the Soviet side will deliver natural gas to Hungary via a new gas pipeline. In addition to the current 4 billion cubic meters of natural gas, Hungary will as of 1990 be receiving from the Soviet Union an additional 2 to 2.5 billion cubic meters, which will cover around 70 percent of the domestic demand in natural gas. Hungary will also participate in the further construction of the gas pipeline with deliveries of equipment and spare parts, which will bring its total investments close to one billion rubles. [Text] [Belgrade TANJUG in English 0020 GMT 18 Feb 86] /9604

CSO: 2020/90

BANKER URGES SPECIAL ZLOTY FUND FOR FOREIGN DEBT SERVICE

Warsaw ZYCIE GOSPODARCZE in Polish No 51/52, 22-29 Dec 85 p 14

[Article by Marian Minkiewicz, chairman of the board, Bank Handlowy]

[Text] Bank Handlowy has been servicing the country's foreign debt for many years. Repayment of the debt principle and accrued interest is made in hard currency which Bank Handlowy purchases in zloty from Polish exporters. Servicing the foreign debt, therefore, involves problems in obtaining both hard currency and zloty. The heart of the problem lies naturally with hard currency, however, in recent years problems with zloty are also becoming a matter of significant concern.

Until recently, the principles employed by the country in repaying the foreign debt coupled with a stable and fixed rate of exchange had practically resolved the problem of servicing the foreign debt in zloty. In keeping with these principles, the final purchaser of goods imported on credit to Poland made payment in zloty at time of delivery. Bank Handlowy, hence, received payment in zloty equivalent to the value of foreign bank credits utilized for the import of commodities and calculated at the current exchange rate. These payments were then placed in a special interest-bearing account in the National Polish Bank. If commercial foreign credits were needed to be utilized, their conversion into zloty was made against investment accounts held by foreign trade firms in Bank Handlowy. Therefore, during a period of stable exchange rates, full settlement of foreign obligations in zloty from bank and commercial credit accounts was essentially secured.

Zloty accumulated in investment accounts were used to purchase hard currency from Polish exporters which were needed to pay credit installments. Interest accumulated from investments was used to purchase hard currency to repay interest due on loans from foreign creditors. Only when the average interest charged on foreign credits exceeded the national interest rate applied to investment was there a need to cover the difference with funds from the national budget. The amount in question, however, represented a relatively insignificant sum. Furthermore, payments from the budget were subject to the country's foreign credits which came under the secondary form of payment and thus played a minimal role.

The described system of repayment, naturally simplified and in outline form, assured the full zloty amount in servicing the foreign debt. A significant turn of events occurred with the initiation of economic reforms. The exchange rate, one of many instruments used in measuring the growth rate of individual economic units, could not remain fixed. Between the years 1982-85, in view of an inflationary rise in the cost of producing export goods and price and exchange rate fluctuations on international markets, the price of foreign currency rose significantly. This led to a shortage of zloty accumulated in investment accounts to cover foreign obligations.

Zloty in investment accounts would have indeed been sufficient to cover interest charges and in repaying the debt principle for several years without having to reach for auxiliary sources. However, after exhausting the income from investment accounts, these auxiliary sources of financing would be severely burdened in meeting the full zloty amount of the foreign debt. This is why a gradual expenditure of investment to repay credit installments (in amounts calculated by the exchange rate existing at the time the credits were utilized), as well as appropriating the full interest accrued in investment accounts to cover foreign interest would seem expedient, as would simultaneously initiating auxiliary sources in financing an increased zloty expenditure caused by a rise in the rate of exchange.

Individual enterprises should form an ultimate source of additional revenue used to cover the zloty amount of the foreign debt since an increase in the rate of exchange promotes an increase in business activity and because their production potential rose as a result of credit and national budget utilization.

In keeping with the established economic reforms, official prices of essential raw materials and supplies are set according to average prices secured or paid in foreign currency at current exchange rates (26 Feb 82 law on pricing). Supply prices rose as a direct result of an increase in the rate of exchange--though somewhat delayed in reality--resulting in an increase in the value of the zloty reserve in the national economy. It would be proper to at least partially defray the difference in the rate of exchange pertaining to the foreign debt service by reassessing the supply of raw and material resources and commodities whose domestic prices are set according to foreign prices.

A sum totaling approximately half the value of increased reserves in the national economy was placed in a central account in the National Polish Bank [NBP] after the first jump in the rate of exchange occurring in 1982. Money accumulated in this account was used by the NBP to cover shortages in business capital and in liquidating the obligations of centralized funds held by unions. Beginning in 1983, 50 percent of the value of increased reserve funds, resultant from increased official prices, is being carried over into the national budget. It would seem appropriate, for instance, to apply half this amount directly into covering the difference in the rate of exchange rather than into the budget.

Capital good ownership in collectivized firms rose significantly in the 1970's as a result of their use of foreign credits (directly through imports and indirectly through an increase in investment potential within the national economy). This would then justify the participation of individual firms in financing the foreign debt based on the value of the capital goods in their possession.

The existing system of import settlement, described earlier, is based on cash payment. This does not mean, however, that domestic buyers, paying for goods in zloty at time of delivery, did not simultaneously profit from various forms of zloty credits from Polish banks, even though these credits were not formally or directly related to foreign credits. Foreign credit liabilities, in zloty, incurred by Bank Handlowy and foreign trade firms through importing goods rose as a result of a change in the exchange rate, while the obligations of final buyers of these goods purchased with domestic credit remained constant.

Foreign credits, due to their separation from foreign credits, were not calculated into final purchases (excluding hard currency credits leaning on self-payment), therefore, it would now be impossible to determine how many and which firms actually benefitted from them. This requires imposition of uniform charges proportionate to the value of capital goods owned.

Furthermore, one should ask whether business participation in servicing the foreign debt in zloty is to affect the cost of production or profit. In considering the answer, one should keep in mind that an increase in the cost of production would not be desirable due to the adverse affect it would have on the price level. On the other hand, in considering the efficacious utilization of capital goods, it would be desirable to impose a payment which would go into a development fund consisting partly of profits and amortization deductions. It does not seem that such payments, set at reasonable rates, imposed on firms in servicing the foreign debt would hinder necessary modernization and restoration processes.

Total monetary resources accumulated in business development funds has increased annually and exceeds all expectations, while business investment capital surpasses the estimates in the National Annual Plan [CPR]. Furthermore, starting in 1986, an important source of business investment financing will come from bank credits.

The national budget naturally would compose an ultimate source of funds in balancing deficits in the event that existing and new sources fell short of the zloty amount needed in financing the country's foreign debt. One should certainly consider whether payments made by firms for this purpose should pass through the national budget. The specific and long-term character of expenditures in servicing the foreign debt would, however, favor their separation from the national budget. Therefore, it is expedient to create a separate and unappropriated zloty fund to be used to service the foreign debt. One with its own deposit and payment plan, scrutinized and approved by the Sejm.

This type of fund, thought of as an auxiliary source, should not be made to replace basic monetary resources accumulated in investment accounts held by Bank Handlowy and foreign trade firms or contribute to the settlement of every individual credit undertaking. Instead, it would be advisable to concentrate on the fundamental sources at the disposal of Bank Handlowy. In this manner, a clear system directed by Bank Hanlowy to service the entire amount of the country's foreign debt would come into existence, one which could periodically rely on resources from this fund to offset a negative zloty balance.

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CSO: 2600/197

NEW POLISH ECONOMIC SOCIETY OFFICERS MEET WITH JARUZELSKI

Warsaw ZYCIE GOSPODARCZE in Polish No 51/52, 22-29 Dec 85 p 3

[Text] New Polish Economic Society [PTE] officers, elected during a congress held in Katowice, met with Wojciech Jaruzelski on 14 Dec in the PZPR Central Committee building. Representing the PTE excecutive body were: Prof Zdzislaw Sadowski, chairman of the Main Administration of the PTE; Prof Czeslaw Bobrowski, honorary chairman of the PTE; Prof Jozef Pojestka, president of the Main Administration of the PTE; Prof Stanislawa Borkowska; Dr Andrzej Jaskulski; Aleksander Lukaszewicz; Dr Janusz Pikulski, vice-president of the Main Administration of the PTE; docent Tomasz Afeltowicz; Prof Stanislaw Raczkowski; master Edward Getkowski, general secretary of the PTE; Dr Andrzej Herman, secretary of the Main Council of the PTE; and master Tadeusz Luczycki, president of the Main Revisory Commission of the PTE.

Zdzislaw Sadowski reported the findings of the 14th PTE National Congress to the PZPR Central Committee First Secretary. The congress, expressing the opinion of the Polish economist community, firmly backed a further uniform continuation of economic reforms, viewing them as an essential component in strengthening the national economy. At the same time, it expressed concern and alarm over existing obstacles inhibiting desired economic and organizational conditions which would bring about an improvement in the economy.

It is the opinion of those present at the meeting that the existing economic reforms, despite having made certain improvements and gains, are not meeting desired expectations not only as a result of adverse extrinsic conditions but also because of intrinsic barriers such as bureaucratic impediments. In evidence of this fact is the attempt made at using past techniques in managing the economy which clearly proved to be ineffective.

The Polish socioeconomic situation needs to follow a consistent course in order to reform the economy. Social forces need to be strongly engaged in this effort. It is also imperative that the party and Sejm should reinforce the supervision over the course of reform to be followed, in addition to, fully utilizing various scientific groups as advisors on these matters.

The debate stressed that the battle over reforms demands the strengthening of its ideological platform. This requires firm resistance, in theory as in practice, against both conservative attitudes and those resulting from a lack of reality or showing opportunism or ignorance.

The essence of economic reforms is to bring about a new quality of socialistic attitudes towards production. For after all, these are socialist reforms which entail a proper interrelation between socialist tenets on social justice and individual and collective motivations towards progress, innovation and efficient economic management.

The work of reform demands the release of the rank and file's powers of progression and rationalization which are inherent in human behavior. The country's economic situation continues to remain difficult. Society should be fully informed of its actual state in order to combine this knowledge with the belief that there does exist a potential and necessity for efficient activity. Proof of its attainability can be shown by the progress achieved in recent years, particularly through economic reforms, despite extrinsic and intrisic obstacles.

The debate also stressed that the potential for future socioeconomic development in Poland and in fully realizing the basic principles of the socialist system is dependent on how efficiently the progress made in reforming the national economy is related to changes in social growth. This requires a departure from the process of planning a national development strategy on the basis of foreseen energy and raw material restraints. We must adopt a position allowing us to fully utilize intellectual potential and social energies in order to overcome these barriers which clearly represent economic choices which need to be made by society.

It would be unwise to retain the ineffective system of production which continues to exist within the Polish economy. The process in making structural revisions must be accelerated. The progressive changes concerned with here should not only consider areas directly affecting material production but its environment as well (it should also consider administration, trade, transportation, health services, recreation, etc.).

Those attending the meeting also accentuated the desire to intensify the work in creating and developing an economic culture within Polish society. It is also necessary to enhance the economist's position over the economy. The exact status of the business managerial cadre also needs to be guaranteed.

The PTE representatives stressed that close cooperation among the Polish Economic Society, Chief Technical Organization and other fraternal societies is imperative to society's working towards an improvement of the economy and for its efficient management.

W. Jaruzelski contributed to the discussion by confirming the will of the party leadership and of the country for the consistent continuation of economic reforms. He spoke of the various extrinsic and intrinsic obstacles hindering this course. He pointed to the main problems and to a course of action which would lead to the socioeconomic development of the country.

Marian Wozniak, Politburo member and PZPR Central Committee secretary, and Marek Holdakowski, head of the Central Committee's Economic Department, were also present at the meeting.

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POLISH ECONOMIC SOCIETY CHAIRMAN REPORTS ON MEETING

Warsaw ZYCIE GOSPODARCZE in Polish No 51/52, 22-29 Dec 85 p 3

[Report given by Prof Zdzislaw Sadowski, chairman of the Polish Economic Society]

[Text] I believe that this meeting was very important for the Polish economist community. The meeting was well attended and very energetic and open. We gained the opportunity for a large-scale representation of our Society's concerns and intentions relating to the realization of its statutory aims, in addition to, coming to a friendly and profound understanding.

Our basic statutory goal is to participate in shaping the country's economic development. Therefore, our chief concerns are with issues relating to the consistent continuation of economic reforms, the ability to overcome obstacles and resistance towards their introduction, the creation and realization of a suitable development strategy, changing the economic structure of the country and in raising the standard of living.

The main topic of discussion focused on the continued difficult economic situation existing in the country. A situation which was apparently brought about by a period of prosperity paid for through credit. We must now repay this credit through the efforts of the entire country. Our western creditors, however, are not making it easy for us to do this. Despite this, we are making progress, and the key to it is economic reforms. The discussion also focused on public issues, on attitudes and perceptions, on formulating views and a trust of the future, in addition to specific everyday issues, such as, prices, wages, living conditions and jobs.

In planning a development strategy, we cannot allow ourselves to be dominated by present obstacles, such as a lack of energy and raw materials. Our strategy should not become subordinate to these shortfalls for it would only condemn the economy to continued shortages and controls. In order to avoid this, we must rely on intellectual potential, on initiative and on the energy of people at every social level and in all professions. However, there are things which we cannot overcome immediately, such as, hard currency problems which need to be solved gradually. The balance in trade, on the other hand, needs our immediate attention. We must defend against monopolizing the economy, against everything which strengthens a structure dependent on trade alone. We must reinforce business self-sufficiency within the framework of legal codes and exact principles for self-financing. This goal requires extending the activity of workers' groups in which the PTE should play a significant role.

A new wage rate must be dependent on improved behavior and discipline in the work place, in addition to, reaching an agreement whereby wages would be directly tied to output. Institutional wage agreements must play a large role in this area, even though not all the experiences associated with them have been satisfactory up to now. We need to find a suitable method of relating them to collective labor agreements. These are matters which are both extremely difficult to solve and of great importance.

Much was said concerning economic recommendations on various levels and on communicating economic knowledge and activity to society. There is much that needs to be done here, beginning with the need to educate economists themselves. The Polish Economic Society should and wishes to form a precise ideology and course for the country's future, a condition of major interest to young economists. Inherent theoretical deficiencies and the need to publish textbooks adapted to the contemporary world were also stressed during the meeting. We also gave much thought on how to better present important economic points through the mass media in order that it be both interesting and instructive.

Society should be aware of economic facts, even if they do foretell of continued hardships and impediments. Knowing all the facts is and should become a source of strength since knowledge is the basis for activity. Significant economic improvements achieved by Poland in recent years in defiance of and in spite of all hardships is a good forecast for the future.

13090/9435
CSO: 2600/197

STATUS OF ASSOCIATED BANK OF CROATIA

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 12 Dec 85 p 2

[Article by T. Kapetanic: "Liquidity Improved"]

[Text] Last year, with considerable difficulties, nine large banks in Croatia independently conducted business with foreign countries through nine separate accounts. Now, when all of the accounts have been merged into one through the Associated Bank of Croatia, Croatian banking is absolutely liquid with respect to foreign countries. It is repaying its obligations regularly, and furthermore not one of the banks has been harmed. The mutual debts of the banks in the republic have been reduced from $428 million to $53 million, with a good chance of completely eliminating the debts during the next few days, and by the end of the year at the latest.

There are still some not exactly negligible difficulties in the work of the Associated Bank of Croatia, but after a year of operation, as its president Tomislav Badovinac stated, the process of the formation of the largest bank in our country has been successfully completed.

The establishment of the Associated Bank of Croatia was awaited with considerable skepticism and suspicion, and the preparations for its establishment lasted longer than expected, but in the past 12 months its justifiability has been confirmed, since when it began to operate there was a considerable increase in the reputation and credit rating, not only of banking, but also of the entire Croatian economy, in Yugoslavia and abroad.

"In the year since the birth of this bank, there have been many problems in the republic's economy, which have also affected the banking organizations, because of large foreign exchange obligations and high illiquidity. The idea of creating the UBH [Associated Bank of Croatia] had many opponents, and the heads of banking organizations throughout the republic were the ones who expressed the greatest skepticism. It was also asserted that the creation of one more republic bank -- similar banks existed earlier in all of the republics and provinces -- was one more confirmation that monetary flows were closed off inside republic boundaries."

Some banks did not sign the Agreement on Association in the UBH until the last moment, and some have not done so to this day, and our impression is that the banks, and least of all the economy, were the main opponents of the creation of a "head" of the circulation of bank funds, especially foreign exchange funds. The new bank also had difficulties with its premises and personnel, and so no one predicted a happy future and a long life for it.

"The main reasons for the obstacles to the association were precisely the unresolved mutual relations of the banks in Croatia, and the financial institutions that had the most difficulties in operation were the ones that profited most from the establishment of the Association. The opening of a united account for business with foreign countries," Badovinac says, "was perceived by the banks as a direct attack on their autonomy and sovereignty, but it turned out that it was a correct economic move -- the liquidity of all the banks and the overall financial credit rating have improved now."

The Associated Bank of Croatia, its representatives claim, has now become a solid link in the republic's banking, a place for agreement and coordination in which even the most complex credit and financial transactions can be carried out. All obligations abroad during the past period have been settled regularly, and the frequent freezing of the accounts of individual banks because of failures to repay due debts on time has become a thing of the past. All of the banks in the republic have also settled their mutual obligations, amounting to almost half a billion dollars. The concentration of money has made it possible to keep track, on a daily basis, of the obligations of all the banks and of the use of it in a timely and efficient manner.

The current foreign exchange receipts of all of the members of the Associated Bank of Croatia have made it possible to use one account to repay $424 million to foreign countries in the first 9 months of this year, to make current payments of $615 million at the same time, and to open new letters of credit amounting to $649 million.

9909
CSO: 2800/106

PUBLIC BOND TO CREATE JOBS IN BOSNIA-HERCEGOVINA

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 3 Dec 85 p 12

[Unsigned article: "Subscription to Employment Bond Begun"]

[Text] Sarajevo, 2 December (mm)--The subscription to a national bond for employment began in Bosnia-Hercegovina on 1 December and will last until the end of February 1986. This is considered here to be the news of the day and the year for Bosnia-Hercegovina.

Subscription sites have already been opened in all opstinas and local communities, and today and in the next few days, the same will be done in all of the organizations of associated labor, agricultural cooperatives, banks, and units of the JNA [Yugoslav People's Army]. It is also expected that a contribution will be made by workers from Bosnia-Hercegovina who are temporarily employed abroad and those who are currently working in other Yugoslav republics and provinces. The subscription was thus started by retirees, craftsmen, and housewives, and today and in the next few days it will be done by more than a million people employed in Bosnia-Hercegovina and outside it -- abroad.

This solidarity action, which took place after several months of thorough preparations, will secure about 40 billion dinars for the additional employment of 100,000 young workers during the next 5 years. New or renovated facilities will be opened as early as the beginning of next year, and, thanks to the money from the bond, will employ some of those who are now waiting for a job.

In some areas the subscription for the bond actually began much earlier than the scheduled date (1 December), with the explanation that one month's income from every employee, and frequently more than that, would be allocated for the creation of new jobs. The bond is to be paid at once or at most in 18 installments, and the funds paid (on the basis of promissory notes that will be distributed later) will be repaid after 5 years, with interest. For now, the direct producers, workers, are taking the lead in this great work, and they are followed by the Trade Union and many others, who are at the same time also advocating the institution of a new voluntary contribution which, along wth the bond, will also accelerate more rapid employment.

9909
CSO: 2800/104

OIL, GAS PRODUCTION PLAN, 1986-1990

Zagreb NAFTA in Serbo-Croatian No 7/8, Jul-Aug 85 pp 313-326

[Article by Vladimir Aksin, geological engineer, doctor of geological science, adviser to the Professional Management Board of SOUR "Naftagas," and professor in the School of Mining Geology at Belgrade University, and Josip Secen, petroleum engineer, doctor of engineering science, chief engineer of the Production Department of the RO INA-Naftaplin, Zagreb, senior lecturer in the School of Petroleum Geology and Engineering at Zagreb University: "Status and Prospects for Development of Exploration and Production of Petroleum and Gas in Yugoslavia"]

[Excerpts] Petroleum and Gas Production

Petroleum and Gas Production in the Past

Petroleum and gas production, which had already recorded its first results in the middle of the last century, did not come into its own until after the liberation of Yugoslavia. Table 4 shows petroleum and gas production for certain periods of time.

Table 4. Production of Crude Petroleum and Natural Gas in Yugoslavia During Certain Periods of Time

Period	Duration, in years	Crude Petroleum, in tons	Natural Gas, in 10^3 m^3
1868-1918	51	7,531	[1], [2]
1919-1940	22	7,879	138,021
1941-1944	4	73,803	17,028
1945-1983	39	74,634,251	29,790,100
Total	116	74,723,464	29,945,149

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1 Negligible quantities of gas were produced and used.

2 Includes production not registered and production in the Bujavica field 1918/1919 (estimated at 75 million m^3).

Crude petroleum production has grown since 1945 mainly as reserves have been discovered and in keeping with the development of the deposits discovered and their preparation for production, which very often has depended upon the available financial resources.

Natural gas production, however, has not kept pace either with petroleum production or with discovery of gas reserves. It has been limited by the absence of an adequate gas pipeline network for transport of the gas to consumers. Gradual construction of gas pipelines since 1958 has helped to speed up the growth of consumption and therefore the production of gas.

Yet in recent years petroleum production has been slowly declining, while gas production has fluctuated because of a mismatch among consumption, imports, and the possible domestic production.

The slow decline in petroleum production and also the reduction of known petroleum and gas reserves show that the intensity and expansion of exploration have not been sufficient or in keeping with the natural conditions. The reasons for this situation are numerous and very complicated, and their roots lead back to the problems of economic policy and the country's economic system.

Total postwar production of crude petroleum in Yugoslavia amounts to about 75.6 million tons, and that of natural gas about 29.7 billion m^3. (Footnote 1) (According to the records, however, contained in the Balance of Reserves for 1983, 31.9 billion m^3.) SR Croatia accounts for about 72 percent of the petroleum and about 56.4 percent of the gas, SAP Vojvodina about 26 percent of the petroleum and about 43.4 percent of the gas, and SR Slovenia about 1 percent of the petroleum and 0.2 percent of the gas. During 1984 petroleum production was 4.06 million tons and gas production 2.13 billion m^3, which means that petroleum production has fallen off from 1983, while gas increased.

All the petroleum and gas fields discovered so far are not, however, in production. Some have been exhausted, others are in the phase of prospecting and development, or in preparation for exploitation, but some perhaps will never even go into production, since they are too small, and the economic conditions do not obtain for their exploitation.

Up to now there have been 62 petroleum and gas fields in production in our country. Today 6 are already exhausted, so that there are 56 fields in production.

Plan for Production of Petroleum and Gas Over the Period From 1986 to 1990

The plan for petroleum and gas production in the coming period is based mainly on the operating capacities of the well-known fields, and only to a smaller extent on potential reserves.

In view of the diminished scope of explorations in the past, which we have mentioned, production of petroleum from potential reserves is anticipated only in 1989 and 1990, which would be from the deposits in the Pannonian Basin, while gas production from that same category of reserves is anticipated in 1990, and that would come from deposits located in the Pannonian Basin and the northern portion of the Adriatic Sea.

The pace of petroleum and gas production is shown in Tables 5 and 6. It is obvious that there will be a continuous reduction in petroleum production until the potential reserves are included in 1989 and 1990. That drop in production is inevitable because of the nonrenewability of the depleted portion of the reserves. To be sure, in RO INA-Naftaplin they have had great success since 1972 in efforts to increase recovery and production of petroleum using secondary methods, whereby the energy in the pools is renewed or its exhaustion halted by injection of water and/or gas.

Table 5. Pace of Petroleum Production Over the Period 1986-1990, in 10^3 tons per year

Indicator	1986	1987	1988	1989	1990
Domestic petroleum					
Naftaplin	2,830	2,595	2,464	2,416	2,355
Naftagas	1,000	1,000	1,000	1,000	1,000
Total	3,830	3,595	3,464	3,416	3,355
Petroleum from foreign concessions	135	251	329	331	651
Total	3,965	3,846	3,793	3,747	4,006

Table 6. Pace of Gas Production Over the Period 1986-1990, in 10^6 m^3 per year

Indicator	1986	1987	1988	1989	1990
Naftaplin	2,054	2,125	2,227	2,238	3,209
Naftagas	1,160	1,110	1,060	1,060	1,110
Total	3,214	3,235	3,287	3,298	4,319

The processes of water injection are being used at seven fields, while gas is being injected at the pools A_1 and A_3 in the Zutica field.

These undertakings have increased recovery from total geological reserves discovered from 25 to 38 percent, and petroleum production is almost double what it would have been had those methods not been used.

The decline in the production of domestic petroleum will be offset to a fair degree by production from foreign concessions, primarily from deposits in Angola, so that it can be said of the coming medium-term period that it will not mean a reduction, but maintenance of the same level of petroleum production.

By contrast with petroleum, over this period gas production is expected to more than double over what it is now. This primarily pertains to fields which have still not been prepared for production. These are the ones in the Drava Valley and the potential ones in the northern portion of the Adriatic Sea.

If hydrocarbon production is converted to tons of standard petroleum, on the basis of 1 ton of standard petroleum for every 1,000 m^3 of gas, then we arrive at a figure indicating a continuous growth in hydrocarbon production from $7,179 \cdot 10^3$ tons per year in 1986 to $8,325 \cdot 10^3$ tons per year in 1990, or 13.8 percent.

Production of the products of primary processing (propane, butane, pentane, primary gasoline, and ethane) and of secondary processing (ethylene and other products) which have not been covered in any detail by this paper are bound up with the production of gas.

In spite of the quite modest growth of production of hydrocarbons up to 1990, in the period that follows a larger growth of production is anticipated primarily because of the more intensive explorations which will be undertaken only in the next planning period. Substantiation of all the measures which are the basis of that promise is provided in the discussion below.

7045
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ECONOMY YUGOSLAVIA

PETROCHEMICAL PRODUCTION FROM OIL, GAS TO 1990

Zagreb NAFTA in Serbo-Croatian No 7/8, Jul-Aug 85 pp 337-344

[Article by Mirko Seler, engineer of "Petrokem," Zagreb; Sadudin Hadzialic, engineer, adviser to PO Energoinvest RO Bosanski Brod Petroleum Refinery; Ivan Mijatovic, engineer, coordinator of SOUR Naftagas, Development Department, Belgrade; and Mihael Zambeli, engineer, coordinator in RO INA Research and Development, Zagreb]

[Excerpts] Problems in supply of the necessary raw materials to the petrochemical industry have been especially evident since the curtailment of petroleum imports.

This article offers an approximate analysis of the situation in the petroleum and petrochemical industry over the planning period from 1986 to 1990 and makes it evident that raw materials can be furnished to a high degree if the method of allocation is agreed on and if producers of the raw materials discharge their obligations according to the schedule agreed on.

Table 1. Capacities in 1985 and Projected Consumption of Petrochemical Products in Yugoslavia in the 1985-1995 Period, in thousands of tons

Products	Available Capacities, 1985		Projected Consumption in Yugoslavia		
	SFRY Total	SR Croatia Alone	1985	1990	1995
1	2	3	4	5	6
I. Finished Chemical Products					
Plastics					
Polyethylene low-density and lld	198	153	155– 175	180– 200	205– 280
Polyethylene high-density	50	--	48– 55	65– 80	86– 130
Polypropylene	30	--	40– 50	60– 70	74– 110
PVC	284	144	160– 185	195– 220	230– 300
Polystyrene	77	77	57– 65	70– 80	85– 120

Table 1 (continued)

1	2	3	4	5	6
Principal thermoplastics	639	374	460– 530	570– 650	680– 940
Other plastics	373	63	280– 300	320– 350	370– 420
Man-Made Fibers					
Polyester	76	14	47– 56	70– 85	85– 100
Polyacrylic	26	—	25– 26	28– 30	30– 45
Polyamide	28	—	19– 21	30– 35	35– 40
Other	10	—	9– 12	17– 20	20– 25
Total man-made fibers	140	14	100– 115	145– 170	170– 210
Synthetic Rubber					
SB rubber	40	—	50– 60	68– 80	90– 110
Other	—	—	30– 30	42– 50	60– 70
Total synthetic rubber	40	—	80– 90	110– 130	150– 180
Fertilizer					
Nitrogen (N)	1,032	478	790	1,061	1,240
Phosphorus (P_2O_5)	701	158	400	517	607
Potassium (K_2O)	—	—	360	493	579
Total fertilizer	1,733	636	1,550	2,071	2,426
II. Intermediate Chemical Products					
VCM [vinyl chloride monomer]	300	200	165– 190	200– 220	235– 310
EDC [ethylene dichloride]	310	150	264– 304	320– 352	376– 496
Styrene	8	8	72– 85	92– 106	114– 156
Ethyl benzene	10	10	85– 100	105– 120	130– 180
Ethylene glycol	—	—	23– 27	34– 39	41– 45
Ethylene oxide	—	—	32– 36	45– 50	55– 60
Acrylonitrile	—	—	30– 32	34– 36	36– 55
Terephthalic acid	—	—	41– 50	61– 75	75– 87
Caprolactam	—	—	18– 20	28– 33	33– 38
Melamine	—	—	8– 11	9– 13	11– 15
Phenol	15	15	11– 12	12– 14	14– 16
Formaldehyde	198	—	125– 135	140– 155	160– 190
Cumene	21	21	18– 20	20– 24	24– 26
Vinyl acetate	—	—	23– 25	25– 30	30– 35
TDI	38	—	13– 14	15– 17	17– 20
Softeners	55	25	44	53	64
Acrylic acid	—	—	16	27	40
Oxo alcohols	—	—	33	40	48
Acetic acid	100	—	24– 26	27– 31	32– 37

Table 1 (continued)

1		2	3	4	5	6
III. Primary Chemical Products						
Olefins:	Ethylene	312	112	360- 410	440- 500	525- 710
	Propylene	98	13	150- 170	200- 220	230- 310
	Butadiene	27	5*	65- 70	85- 100	115- 140
Aromatics:	Benzene	188	176	110- 130	145- 160	170- 220
	Toluene	73	73	9- 10	11- 12	12- 14
	p-xylene	73	73	29- 35	43- 53	53- 61
Methanol		360	—	70- 75	80- 90	95- 105
Ammonia		1,393	645	1,102-1,105	1,480-1,486	1,726-1,743

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* Only as a source of raw material (Organic Chemical Industry, Zagreb).

Note accompanying Table 1: The projected consumption of intermediate and primary chemical products was derived from the projected consumption of finished products. Nitrogen fertilizer capacity was derived from ammonia capacity, and the capacity for production of phosphorus fertilizer from the capacity for production of phosphoric acid.

The benzene and toluene capacities indicate possible gross production. Should the capacities of the hydrodealkylation installation at the Rijeka Refinery be used, the capacity for toluene is reduced. Should the capacity of the hydrodealkylation installation not be used, the quantity of benzene is reduced. The capacities for "other plastics" pertain to the following: polyvinyl acetate 26,000 tons per year (SR Croatia 10,000 tons per year), polyacrylates 9,000 tons per year (SR Croatia 5,000 tons per year), polyesters and alkyds 50,000 tons per year (SR Croatia 10,000 tons per year), phenolic plastics 34,500 tons per year (SR Croatia 21,800 tons per year), amino plastics 163,100 tons per year (SR Croatia 2,900 tons per year), epoxides 2,000 tons per year, cellophane 9,800 tons per year, other cellulosic plastics 19,000 tons per year, and polyurethanes 60,000 tons per year (SR Croatia 12,000 tons per year).

Table 2. Present Situation in Petroleum Refining Capacities (1985)

Work Organization	Installation	Capacity, in 000 t/yr
INA Refinery Rijeka	Atmospheric distillation	8,000
	Platforming	760
	Catalytic cracking	1,000
	Aromatics	438
	Viscosity breaking	317
	Asphalt	460
INA Refinery Sisak	Atmospheric distillation	6,700
	Platforming	800

Table 2 (continued)

Work Organization	Installation	Capacity, in 000 t/yr
	Catalytic cracking	500
	Aromatics	600
	Coking	218
	Asphalt	300
INA Lendava	Atmospheric distillation	700
Naftagas Refinery Pancevo	Atmospheric distillation	5,500
	Platforming	360
	Aromatics	30
	Catalytic cracking	1,000
	Viscosity breaking	1,000
	Alkylation	100
	Asphalt	300
Novi Sad Refinery	Atmospheric distillation	3,000
	Platforming	500
	Asphalt	220
Energoinvest Bosanski Brod Refinery*	Atmospheric distillation	2,100
	Platforming	700
	Asphalt	350
Skopje Refinery	Atmospheric distillation	2,500
	Platforming	450

Total, 000 tons	Atmospheric Distillation	Catalytic Cracking	Reforming
	28,500	2,500	3,570

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* An atmospheric distillation plant is still under construction at Bosanski Brod with a capacity of 3 million tons per year, to be completed by the end of 1986.

In petroleum refining the investment projects planned and started have mainly been completed although quite late and with cost overruns.

Along with those installations for petroleum refining, the system of the "Yugoslav Petroleum Pipeline" has also been built, which links together all the refineries except Rijeka and Skopje.

It follows from the above that the planned sources of raw materials for the petrochemical industry have been secured, but because of the disturbances of economic flows already mentioned petroleum and gas production and refining have not developed as predicted.

Table 3. Need for Petroleum Products for Nonenergy Purposes, in millions of tons*

Products	1985	1990	1995	2000
Primary gasoline for olefins	2.10	2.10	3.00	4.00
Primary gasoline for aromatics	1.00	1.25	1.00	2.00
Other solvents, petroleum coke, carbon black	0.20	0.25	0.30	0.35

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* Basic Premises of the Long-Range Economic Stabilization Program, p 274, Table 3.6.

Even after the detailed analysis in 1983 and publication of the Basic Premises of the Long-Range Economic Stabilization Program petroleum refining has not taken place in accordance with that document (for example, according to that document petroleum refining in 1985 ought to have been 17.5 million tons, but the plan in effect for 1985 calls for 15.1 million tons).

It is obvious from this that petroleum products, which were not set aside for nonenergy purposes, could not be produced in the projected quantities either.

This is neither the time nor the place for us to analyze those projections, but it is clear from the outset that something is wrong with those calculations.

Natural Gas

We have a somewhat different situation with natural gas. Although development of the domestic gas fields was late, the shortage of gas was made up through imports. Thus in 1984 total gas consumption (also including gas obtained from coal in Kosovo) was 5.126 billion m^3, while the stabilization program projected 6.0 billion m^3 for 1985.

Many consumers are turning toward natural gas because of its price (domestic gas), easy handling, and high efficiency. As a raw material for a certain group of chemicals it has hardly any competition, so that truly dramatic situations come about if there is a shortage or imposed reduction. This is one of the reasons why the consumers were placed in categories used in establishing the order of priority for exclusion or reduction.

We can illustrate this with the pattern of gas consumption in SR Croatia by categories of consumers.

The categories of consumers in SR Croatia result in the following order of priorities:

I. Residential and general consumption
II. INA Petrochemical Industry, Kutina--for processing
III. Technological energy
IV. Industrial heat
V. Thermal electric power plants and heating plants

Table 4. Pattern of Gas Consumption Between 1985 and 1990 in SR Croatia, in millions of m^3

Indicator	1985	1986	1987	1988	1989	1990
Plan of the quantity for the market	2,016	2,628	2,780	2,927	2,938	4,069
Consumption category:						
I						
Quantity	282	389	436	486	517	650
%	14.0	14.8	15.7	16.6	17.6	10.0
II						
Quantity	640	750	750	750	750	750
%	31.7	28.5	27.0	25.6	25.5	18.4
III						
Quantity	157	223	259	299	329	400
%	7.8	8.5	9.3	10.2	11.2	9.8
IV						
Quantity	597	875	937	1,024	1,037	1,600
%	29.6	33.3	35.0	35.0	35.3	39.3
V						
Quantity	340	391	362	368	305	669
%	16.9	14.9	13.0	12.6	10.4	16.5

It should be mentioned that the declared needs of consumers and distributors are greater than the available quantities indicated. The shortages could be reduced by linking the gas networks in the continental part of the country to the Adriatic part so that the surpluses of Adriatic gas might be used after the year 1990.

In order to equalize production and consumption of natural gas in SR Croatia and to smooth out the seasonal fluctuations an underground storage facility is being developed which is to go into service in 1987, but since it would take several years to fill it completely the full-fledged role of the storage facility can be anticipated only after the year 1990.

Table 5. Planned Consumption of Natural Gas for Petrochemical Production, in millions of m^3

Indicator	1986	1990
INA Petrochemical Industry, Kutina	750	750
HIP Pancevo	740	800
SMK Kikinda	220	340
INA Lendava	151	151
Total	1,861	2,041

Remark: Of these quantities, 70-84 percent is consumed in synthesis itself, and the remainder as a source of technological energy.

We see that a large portion of natural gas is being imported. According to experience to date it is not reliable enough to have one source of imports (USSR), and negotiations have therefore been going on with Algeria for quite some time so that a portion might be obtained from its sources.

Condensate occurs in the gas deposits of SR Croatia within rather broad ranges of distillation, from liquid petroleum gas to heavy gas oil. Construction of a plant for extraction of n-paraffin (35,000 tons per year) is planned in order to use 330,000 tons per year of that condensate. Other products from that separation facility would find their place among the gasolines, diesel fuel, and special oils. Should there be a shortage of this gas condensate, an alternative raw material has been provided for--the kerosene fraction from the petroleum refinery.

Table 6. Planned Quantities of Gas for the Market (Our Own Production + Imports in SR Croatia), in millions of m^3

Indicator	1985	1986	1987	1988	1989	1990
Gas for the market	2,016	2,628	2,780	2,927	2,938	4,069
Portion of above including CO_2	74	78	67	55	45	37
Gas for the system	1,942	2,550	2,713	2,872	2,893	4,032

Table 7. Production and Imports of Natural Gas in SAP Vojvodina, in billions of m^3

Indicator	1885	1986	1987	1988	1989	1990
Production	1.00	1.00	1.00	1.00	1.00	1.00
Imports from the USSR	3.40	4.10	4.65	4.80	5.35	5.85
Total	4.40	5.10	5.65	5.80	6.35	6.85

Table 8. Consumption (Imports) of Natural Gas in SR Slovenia, in billions of m^3

Indicator	1885	1986	1987	1988	1989	1990
Projected consumption	0.84	0.93	1.00	1.09	1.13	1.18

Primary Gasoline

Primary gasoline is the principal raw material from which olefins and aromatics are obtained, and a very wide range of products is obtained from them as secondary and tertiary derivatives. The potential for production of primary gasoline depends on many factors (motor gasoline consumption, the degree of integration of refinery technology, and so on), but the most important factor is the quantity and quality of petroleum refined. A normal trend of consumption of petroleum products and accordingly of petroleum refining was assumed in planning the development of the petrochemical industry dependent upon primary gasoline. Unfortunately, that did not occur, and the needs for chemicals have remained the same or have been increasing slightly.

Table 9. Projected Petroleum Refining in the SFRY, in millions of tons per year

1986	1987	1988	1989	1990
15.55	16.00	16.50	17.00	17.50

Table 10. Capacity for Production of Aromatics in the SFRY, in tons per year

Aromatics	Installed Capacity	Feasible Capacity	80% of Capacity	60%
Benzene	188,000	138,000	110,400	82,000
Toluene*	73,000	—	—	—
o-xylene	71,000	45,000	36,000	27,000
m, p-xylene	57,000	39,644	31,716	23,786
p-xylene	73,000	35,000	28,000	21,000
Ethyl benzene	13,000	8,980	7,184	5,388

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* Toluene is dealkylated to benzene, but if necessary it can be obtained at the Rijeka Refinery in a quantity limited by the content of toluene in the gasoline produced by the reforming installation.

Table 11. Projected Production of Aromatics in INA, in thousands of tons per year

Aromatics	1986	1990
Benzene	72	75
Toluene	26	36
o-xylene	38	41
m, p-xylene	22	31
Ethyl benzene	5	7
p-xylene	35	35
Total	198	225

In our present situation and in the very near future we cannot anticipate any drastic increase in petroleum production, because there simply is not enough foreign exchange. According to the predictions, petroleum refining in Yugoslavia would range as shown in Table 9 over the period 1986-1990.

Assuming that primary gasoline is unconditionally set aside for the petrochemical industry in the quantity of 10.88 percent in 1986 and 11.4 percent in 1990, we would get 1,692,000 tons and 1,995,000 tons of gasoline.

Let us look at what could be obtained from those quantities of gasoline. First of all, in and of itself the quantity is not sufficient for any sort of assessment; we also need to know the principal characteristics of that raw material with respect to the possibility of its subsequent processing to produce aromatics. Only a narrow fraction (from C_6 to C_8) of hydrocarbons is suitable for that purpose. That is why it is a very worthwhile effort within the INA refineries to work out the balance for aromatics within the refinery itself, and after that to make up so-called primary gasoline for the olefins. Let us first look at the theoretical potential for production of aromatics in the SFRY.

On the basis of the assumed refining of petroleum and the share of INA at 7.5 million tons in 1986 and 8.44 million tons in 1990, preliminary analyses were made, and they showed that it is possible to produce the quantities of aromatics at the installations in Sisak and Rijeka shown in the table (assuming that the growth of motor gasoline is quite moderate).

Since it takes about 2 tons of net gasoline consumed per ton of aromatics, we can calculate that 1,296,000 tons would remain in 1986 and 1,545,000 tons of primary gasoline in 1990 for the production of olefins.

If we assume that utilization of the pyrolysis installation in Pancevo is somewhere near the average, we could obtain from those quantities of primary gasoline the quantities of the products shown in the table (from domestic pyrolysis and quantities obtained for finishing).

The ethylene produced from ethane at the pyrolysis installation of INA-Naftaplin should also be added to the ethylene coming from pyrolysis of gasoline: 32,000 tons in 1986 and 35,000 tons in 1990. Accordingly, the total quantity of ethylene might be 402,000 tons in 1986 and 476,000 tons in 1990.

If we compare the results obtained for ethylene, propylene, and C_4 with the derived projected consumption of primary chemicals, we see that they coincide with the lower values. (The first year examined in the table is 1985, but the range of the predictions is rather broad, so that they will certainly be valid in 1986 as well.) We can also take for purposes of comparison the quantity of ethylene called for under the self-management accord for 1985, which amounts to 345,000 tons, which was obtained by calculating the domestic consumption of 307,000 tons and exports of 38,000 tons.

In any case we first should meet the primary gasoline needs of domestic pyrolysis operations and let the remainder go for finishing in return for all the liquid fractions in quantities in which we have an interest.

Table 12. Use of Products in Gasoline Pyrolysis, in thousands of tons

Products	1986	1990
Ethylene	370	441
Propylene	166	198
C_4	94	112
Gasoline from pyrolysis	308	368
Remainder from pyrolysis	94	112

We have seen that the installations for producing aromatics do not have enough raw materials for 100-percent utilization of capacity, and the effort should be made to use pyrolytic gasoline for this purpose, which contains about 70 percent aromatics and contains more gasoline than the product of reforming. It is clear that this is not so simple to do, since the technology in place did not envisage such a case, but with certain efforts that source of aromatics might be used at least partially (there have been agreements to that effect for a long time between the Sisak Petroleum Refinery and Pancevo). Pyrolytic gasoline obtained from pyrolysis abroad could continue to be finished to produce aromatics and styrene. The way primary gasoline has been finished up to now is that the costs were paid in products or primary gasoline. Accordingly, if we want to obtain the recovery of all the products, we have to find a different method of payment.

Olefin Hydrocarbons From the Petroleum Refineries

In this case we will dwell only on the C_3/C_4 fraction. In our refineries the installation for catalytic cracking of gas oils is the only serious source of olefin hydrocarbons. We have seen that such installations are operating at the INA refineries in Rijeka and Sisak and are in the phase of preparation for operation at the Naftagas Refinery in Pancevo. Total refining capacities at those installations are 2.5 million tons per year.

On the basis of past experience the yield from the C_3/C_4 fraction is about 10 percent of the initial raw material. If we assume that those installations operate in 1986 with a capacity of 1.3 million tons and in 1990 with a capacity of 2.0 million tons, we can anticipate about 130,000 tons and 200,000 tons, respectively, of the C_3/C_4 fraction.

At all three refineries the capability exists for separating C_3 and C_4. Accordingly, even now olefins present in those fractions can be used for certain purposes (for example, production of the C_3-tetramer at OKI or the C_4 fraction for production of MTBE at the FSK in Zrenjanin).

According to design figures and figures from the literature, a propylene yield of about 3.5 percent of the initial raw material is possible, but in practice it has turned out that we should count on a lower percentage of 2.7 percent. In the case of the butenes we can assume 4.0 percent, while for i-butene itself we assume 1.7 percent. So, we can realistically anticipate the following from catalytic cracking installations in the coming period: between 35,000 and 54,000 tons of propylene, and the butenes might be between 52,000 and 80,000 tons, and i-butene itself between 22,000 tons and 34,000 tons. However, in reality we have a somewhat different picture. At the Pancevo Refinery the C_4 fraction will be used for production of gasoline alkylate (the installation is in the phase of preparation for operation). Industrial propylene at that refinery will be used for the production of oxo alcohols or for refinement in the fractionating tower (gradacija) for polymerization (probably at Chemical Industry Pancevo).

A self-management accord has been signed at the Rijeka Refinery concerning joint construction of a plant for production of propylene with IPLAS-Koper (production of acrylic acid). The smallest amounts of propylene are available at the Sisak Refinery, and in their forecasts the C_3 fraction will be sent to OKI for production of the tetramer or for refinement into polymer propylene.

A feasibility study is now being done concerning use of the C_4 fraction in the petrochemical industry by INA and is to show which use should be chosen.

Raw Materials for Carbon Black and Petroleum Coke

The two principal raw materials for production of carbon black and the needle-crystal form of petroleum coke are the remainder from pyrolysis and decanted highly aromatic oil from catalytic cracking. The pyrolytic remainder is certainly the best raw material, it has a high aromatic content, does not contain sulfur and has uniform characteristics. The decanted oil varies in quality and quantity as a function of the raw material refined and the operating regime in the catalytic cracking installation, so that the balances indicated here need not be feasible in practice. (Should there be a high sulfur content, the decanted oil is not suitable for production of needle-crystal petroleum coke.)

Table 13. Raw Materials for Lamp Black and Petroleum Coke, in thousands of tons

	1985		1990	
Product	Available	Needed	Available	Needed
Lamp black*	120	120	160	140
Coke	30		50	

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* Calculated for 1985 and 1990 assuming recovery of 43,000 tons of pyrolytic remainder from finishing gasoline.

Consumption of carbon black is estimated at 60,000 tons in 1985 and 73,000 tons in 1990. Present production is 30,000 tons. Needle-crystal (premium) coke is entirely set aside for export, and this is one of the sources of foreign exchange to meet the needs of the refineries, so that there is good reason to be interested in its maximum production.

One of the limiting factors is the need for gas oils from domestic petroleum or low-sulfur imported gas oils to be refined separately in catalytic cracking and the decanted oil obtained in that way drawn off separately.

What can we conclude from this brief and rather rough survey? It is obvious that in the coming planning period there will not be any major investment projects in the petrochemical industry and that all efforts should be directed toward maximum utilization of existing capacity. The Self-Management Accord on Uniform Supply of Petrochemical and Aromatic and Olefin Products to the Market Under Equal Conditions was also drafted in 1985. We feel that this is the way that should be taken, that the producers of the raw materials and their consumers should sit down at the same table. Only in that way is it possible to overcome the crisis in the shortage of raw materials and by-products. We are convinced that in a few years there will be a certain improvement in the supply of petrochemical raw materials from the refineries, since they will cross that critical threshold in employment of primary capacities which affords 100-percent operation of secondary installations. In addition, we should mention that in the second half of this year secondary installations will go into operation at the Naftagas Refinery in Pancevo (catalytic cracking, vis-breaking, and alkylation), which certainly will improve the situation with respect to the quantity and quality of gasoline and will improve the overall relationship between the white and black products in petroleum refining. As for natural gas, there will be some increase in domestic production with the possible inclusion of gas from the Adriatic, but here we should assume an equalization of the prices of domestic and imported gas. If imports are to be larger and more reliable, supply should be secured from at least two places, so as to avoid or at least diminish the shortages in the most critical winter months.

7045
CSO: 2800/160

CONSUMPTION OF OIL DERIVATIVES TO 1990

Zagreb NAFTA in Serbo-Croatian No 7/8, Jul-Aug 85 pp 369-380

[Article by Ranko Ivanovic, economist, secretary of the Business Community "Petrolunion," Belgrade; Ivan Maric, economist, specialist in business economics and business conditions, Energoinvest--RO Bosanski Brod Petroleum Refinery; Vojteh Brajcic, MA in economics, vice chairman of the Business Board of INA--"Commerce," Zagreb: "The Demand for Petroleum Products in Yugoslavia up to the Year 1990"]

[Excerpts] The demand for petroleum products in Yugoslavia, which over the past period increased at a rapid pace at annual rates between 4 and 11 percent right up until 1980, has in recent years been falling because of the well-known difficulties the Yugoslav economy has been involved with, so that today it is about 2 million tons less than in 1979, which was the record year.

Among other things, prices of petroleum on the world market, where no major shocks are anticipated, will have a considerable influence on demand in coming years. According to the predictions of experts, prices will range between $27 and $33 per barrel.

The tendency to substitute gas and coal for heating oils in Yugoslavia will continue in coming years, so that a decline in the consumption of that product group is anticipated.

Consumption of other products will grow at rates ranging from 0.4 percent (primary gasoline) to 7.1 percent (motor gasoline), with an average of 0.4 percent for all products according to the lower variant or 2 percent according to the higher one. Total petroleum product consumption in 1990 would be between 14.5 and 16 million tons.

Table 2. Petroleum Product Consumption in Yugoslavia From 1960 to 1984, in thousands of tons

Year	Gaso- lines	Inter- mediate Distil- lates	Residual Fuel Oil (mazut)	Primary Gasoline	Other Products	Total	Base Index	Chain Index
1960.	252,2	489,4	381,8	—	150,4	1.273,8	100	100
1961.	285,3	587,9	389,5	—	169,6	1.432,3	112	112
1962.	279,9	665,1	436,4	—	218,4	1.599,8	126	112
1963.	314,4	807,0	558,5	—	253,9	1.933,8	152	121
1964.	383,8	951,0	730,0	—	300,8	2.365,6	186	122
1965.	450,2	1.209,6	884,7	70,9	318,7	2.934,1	230	124
1966.	545,7	1.430,7	1.164,3	75,2	304,5	3.520,4	276	120
1967.	655,7	1.658,5	1.403,3	67,1	330,3	4.114,9	323	117
1968.	740,0	1.955,6	1.782,4	72,5	431,1	4.981,6	391	121
1969.	892,1	2.309,3	2.081,0	72,5	512,5	5.867,4	460	118
1970.	1.002,0	2.595,0	2.524,0	104,0	824,0	7.049,0	553	120
1971.	1.253,0	3.220,0	2.680,0	120,0	811,0	8.084,0	635	115
1972.	1.362,0	2.974,0	3.094,0	86,0	904,0	8.420,0	661	104
1973.	1.458,0	3.490,0	3.876,0	96,0	918,0	9.838,0	772	117
1974.	1.509,0	3.618,0	4.364,0	73,0	1.068,0	10.632,0	835	108
1975.	1.750,0	3.663,0	4.986,0	144,0	1.015,0	11.558,0	907	109
1976.	1.924,0	3.884,0	5.342,0	138,0	1.105,0	12.393,0	973	107
1977.	2.121,0	4.285,0	5.807,0	151,0	1.260,0	13.624,0	1.069	110
1978.	2.339,0	4.753,0	6.190,0	136,0	1.456,0	14.874,0	1.168	109
1979.	2.312,0	5.123,0	7.213,0	271,0	1.560,0	16.479,0	1.294	111
1980.	2.109,0	4.927,0	6.479,0	420,0	1.395,0	15.330,0	1.204	93
1981.	2.154,4	4.588,8	5.578,9	424,7	1.546,9	14.293,7	1.222	93
1982.	2.084,3	4.464,3	5.795,0	505,1	1.186,8	14.035,5	1.102	98
1983.	1.756,7	4.537,8	5.498,4	545,0	1.591,5	13.929,4	1.093	99
1984.	1.777,4	4.563,4	5.307,6	976,0	1.740,8	14.365,2	1.128	103

Table 3. Petroleum Product Consumption by Republics, in thousands of tons

Republics	1965	1970	1980	1981	1982	1983	1984	1984/ 1965
Bosnia-Hercegovina	305.1	810.6	1,945.3	1,792.8	1,967.3	1,708.7	1,689.3	554
Montenegro	99.7	155.1	366.5	348.1	365.6	378.3	384.6	386
Croatia	1,044.5	2,185.2	4,483.5	4,229.9	4,001.9	3,924.0	4,201.3	402
Macedonia	120.3	528.7	1,186.8	1,030.4	1,076.8	1,283.3	1,201.5	998
Slovenia	402.0	1,163.1	2,023.6	1,777.9	1,671.6	1,640.6	1,631.6	406
Serbia	962.5	2,206.3	5,324.3	5,114.6	4,952.3	4,994.5	5,256.9	546
SFRY	2,934.1	7,049.0	15,330.0	14,293.7	14,035.5	13,929.4	14,365.2	489

Table 4. Share of the Republics in Petroleum Product Consumption, in percentage

Republics	1965	1970	1980	1981	1982	1983	1984
Bosnia-Hercegovina	10.4	11.5	12.7	12.5	14.0	12.3	11.8
Montenegro	3.4	2.2	2.4	2.4	2.6	2.7	2.7
Croatia	35.6	31.0	29.3	29.6	28.5	28.2	29.2
Macedonia	4.1	7.5	7.7	7.2	7.7	9.2	8.4
Slovenia	13.7	16.5	13.2	12.5	11.9	11.8	11.3
Serbia	32.8	31.3	34.7	35.8	35.3	35.8	36.6
SFRY	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 5. Pattern of Consumption of Petroleum Products by Republics and Provinces Over the Period January-December 1983 and 1984, in thousands of tons

No	Products	Period	Total	Bosnia-Hercegovina	Slovenia	Macedonia	Croatia	Serbia Proper	Vojvodina	Kosovo	Montenegro
1	2	3	4	5	6	7	8	9	10	11	12
1.	Motor gasoline	1983.	1.756,7	217,7	299,7	103,9	498,0	405,7	146,2	38,7	46,8
		1984.	1.777,4	213,2	322,1	112,0	494,1	404,3	148,1	41,4	42,2
2.	Gas oils	1983.	3.056,5	449,9	301,6	263,1	689,0	792,0	375,1	92,7	93,1
		1984.	3.046,8	471,3	318,3	203,0	699,9	800,5	367,4	104,2	82,2
3.	EL and LS	1983.	1.106,0	184,6	217,0	51,6	291,4	226,5	90,9	20,4	23,6
		1984.	1.212,1	180,8	210,1	84,4	315,4	255,7	116,4	24,5	24,8
4.	Residual fuel oil	1983.	4.573,6	421,7	486,7	636,7	1.211,8	1.092,0	426,8	123,5	174,4
		1984.	4.313,3	325,8	460,1	544,1	1.114,3	1.044,7	490,5	139,7	194,1
5.	Jet fuels	1983.	278,1	12,2	17,2	5,9	128,4	92,9	0,4	5.1	16,0
		1984.	303,8	16,9	21,6	5,1	142,4	96,9	0,9	1,9	18,1
6.	Primary gasoline	1983.	545,0	1,1	11,2	56,0	84,3	0,3	392,1	—	—
		1984.	976,1	3,0	11,3	78,0	355,2	2,9	525,7	—	—
7.	Asphalt	1983.	531,1	85,6	78,6	31,2	174,7	111,8	30,1	6,9	12,2
		1984.	555,6	81,5	95,7	41,4	168,0	117,4	35,1	5,8	10,7
8. (a)	Motorna i ind. bazna ulja, rafinati i destilati	1983.	342,6	71,9	50,2	19,1	78,4	92,9	19,8	5,6	4,7
		1984.	373,3	116,6	52,8	16,2	79,0	81,1	16,0	6,6	5,0
9.	LP gas	1983.	410,3	45,9	56,9	30,0	141,7	87,8	34,3	6,3	7,4
		1984.	441,6	49,8	60,0	45,0	136,8	96,7	36,9	8,4	8,0
10.	Other products	1983.	420,8	39,1	120,0	55,1	87,0	32,1	85,5	1,5	0,5
		1984.	399,2	60,7	81,6	8,5	111,7	41,1	88,8	6,5	0,3
11.	Internal consumption	1983.	924,8	181,0	3,2	32,0	543,9	—	164,7	—	—
		1984.	994,4	173,0	1,2	66,0	592,9	—	161,3	—	—
		1983.	13.945,5	1.710,7	1.642,3	1.284,6	3.928,6	2.934,0	1.765,9	300,7	378,7
		1984.	14.393,6	1.692,6	1.634,8	1.203,7	4.209,7	2.941,3	1.987,1	339,0	385,4

Key: a. Motor and industrial blown oils, refinery products and distillates

Table 6. Ratio of Net Refinery Prices to the Retail Price of Petroleum

Year	Petroleum--	98-Octane Motor Gasoline	D-2 Diesel Fuel	Furnace Oil, Average	Retail Price	98-Octane Motor Gasoline	D-2 Diesel Fuel	Furnace Oil, Average
1977	100	233	188	89	100	40	60	85
1978	100	210	174	84	100	31	39	72
1979	100	223	163	79	100	36	44	75
1980	100	225	157	76	100	48	53	85
1981	100	200	157	69	100	48	47	78
1982	100	198	148	74	100	46	47	92
1983	100	182	134	77	100	45	51	90
1984	100	170	127	80	100	46	52	82
1985	100	161	126	85	100	56	63	88
Decision I	100	155	124	92	...	...	...	...
Decision II	100	155	128	92	...	...	...	...

Table 10. Consumption of Petroleum Products and Natural Gas in Yugoslav Industry in 1981

Indicator	Thousands of Tons	Furnace Oil, thousands of tons	Natural Gas, millions of m^3	Liquified Gas, thousands of tons
Industry, total	810	4,376	3,004	176
Electric power industry	217	1,155	802	0.03
Coal mining	21.5	0.3	--	--
Coal processing	--	--	--	--
Petroleum and natural gas production	7.4	--	247	--
Production of petroleum products	72.9	198	57.1	1.2
Iron ore production	8.2	11.5	--	--
Ferrous metallurgy	7.4	403	228	3.5
Production of ores of nonferrous metals	27.8	1.6	--	0.03
Production of nonferrous metals	12.1	154	241	4.0
Processing of nonferrous metals	3.6	13.3	0.4	1.7
Production of nonmetallic minerals	16.4	10.1	1.8	1.2
Processing of nonmetallic minerals	57.7	139	179	97.7
Metal manufacturing industry	45.6	46.1	57.2	20.6

Table 10 (continued)

Indicator	Thousands of Tons	Furnace Oil, thousands of tons	Natural Gas, millions of m^3	Liquified Gas, thousands of tons
Machinebuilding	13.6	10.5	7.8	1.6
Production of transportation equipment	13.0	31.8	8.2	1.8
Shipbuilding	3.6	1.3	0.04	0.1
Production of power machines and electrical appliances	11.9	27.8	6.9	4.4
Production of heavy chemicals	12.5	185	377	4.7
Chemical manufacturing	20.2	46.1	35.4	0.8
Production of stone, gravel, and sand	25.9	8.6	0.1	0.1
Production of building materials	37.7	881	490	17.9
Production of lumber and wood sheets	6.7	56.1	11.1	--
Production of finished wood products	10.5	28.6	3.1	0.4
Paper production and manufacturing	4.6	111	102	--
Production of textile yarns and fabrics	8.9	140	25.4	0.7
Production of finished textile products	18.1	74.2	16.6	0.2
Production of leather and fur	0.5	35.2	2.4	--
Production of leather footwear and clothing accessories	2.0	5.2	0.8	0.04
Processing of rubber	1.4	33.4	15.3	--
Production of processed foods	89.4	415	62.2	12.9

Source: "Statisticki godisnjak" [Statistical Yearbook], Federal Bureau of Statistics, Belgrade, 1981, p 271.

Table 11. Petroleum Product Consumption in Yugoslavia up to the Year 1990, in thousands of tons

Lower Variant

Article	1984.	1985.	1986.	1987.	1988.	1989.	1990.	Indeks 90/84 (1)	Ø stope rasta (2)
Primarni benzin (3)	976	980	984	988	992	996	1.000	102,5	0,4
Sp. ben. i WS (4)	56	59	62	65	68	71	73	130,4	4,5
Motorni benzin (5)	1.777	1.903	2.038	2.183	2.338	2.505	2.687	151,2	7,1
Mlazno gorivo (6)	304	319	335	352	370	388	408	134,0	5,0
Dizelsko gorivo (7)	3.047	3.138	3.232	3.329	3.429	3.532	3.637	119,0	3,0
EL i sp. (8)	1.212	1.107	1.011	923	843	770	700	— 57,8	—
Mazut (9)	5.107	4.898	4.697	4.504	4.319	4.140	4.000	— 78,3	—
M. ulje (10)	105	110	115	120	125	131	137	130,5	4,5
Maziva ulja i masti (11)	268	280	293	306	320	334	349	130,2	4,5
Ukapljeni plin (12)	442	460	478	497	517	538	560	126,7	4,0
Bitumen (13)	556	557	558	559	560	560	560	—	—
Ostali derivati (14)	344	358	372	387	402	418	435	126,5	4,0
Total	14.194	14.169	14.175	14.213	14.283	14.383	14.546	102,5	0,4

Table 12

Higher Variant

Primarni benzin (3)	976	955	1.014	1.034	1.054	1.075	1.100	112,7	1,9
Sp. ben. i WS (4)	56	59	62	65	68	71	73	130,4	4,5
Motorni benzin (5)	1.777	1.903	2.038	2.183	2.338	2.504	2.682	150,9	7,1
Mlazno gorivo (6)	304	319	335	352	370	388	408	134,0	5,0
Dizelsko gorivo (7)	3.047	3.169	3.296	3.428	3.565	3.708	3.856	126,6	4,0
EL i sp. (8)	1.212	1.193	1.174	1.155	1.136	1.118	1.100	90,8	—
Mazut (9)	5.107	5.036	4.965	4.895	4.826	4.759	4.700	92,0	—
Mot. ulja (10)	105	110	116	122	128	135	142	135,0	5,1
Maziva ulja i masti (11)	268	280	293	306	320	334	349	130,2	4,5
Ukapljeni plin (12)	442	460	478	497	517	538	560	126,7	4,0
Bitumen (13)	556	557	558	559	560	560	560	—	0
Ostali derivati (14)	344	338	372	387	402	418	435	126,5	4,0
Total	14.194	14.439	14.701	14.983	15.284	15.608	15.965	112,5	2,0

Key to Tables 11 and 12:

1. Index number 90/84
2. Average growth rate
3. Primary gasoline
4. Special gasolines and WS [white spirit]
5. Motor gasoline
6. Jet fuel
7. Diesel fuel
8. EL and special
9. Furnace oil
10. Motor oil
11. Lubricant oils and greases
12. Liquified gas
13. Asphalt
14. Other products

7045
CSO: 2800/161

ROMANIAN PAPERS MARK BUDAPEST'S LIBERATION ANNIVERSARY

AU131726 Bucharest AGERPRES in English 1527 GMT 13 Feb 86

[Text] Bucharest, 13 Feb (AGERPRES)--In articles and travel notes the Romanian newspapers of 13 February mark 41 years since the liberation of Hungary's capital city, Budapest, from fascist occupation through the joint fight of the Romanian and Soviet soldiers.

An extensive article dwelling on Romania's participation in Hungary's liberation from fascist domination contributed in SCINTEIA TINERETULUI by Col G. Tudor shows that in terms of length and severity of fighting of forces and equipment as well as of achievements Romania's contribution to the liberation of Hungary is impressive. The Romanian Army fought in Hungary from 24 September 1944 to 15 January 1945 with over 200,000 soldiers, NCO's and officers, large operative and tactical units and various services. Next the article refers to the fights of the Seventh Army Corps of the First Romanian Army made up of over 36,000 soldiers who, alongside the troops of the Second Ukrainian Front fought around and in Budapest. During the fighting in Budapest as well as throughout the anti-fascist war the Romanian soldiers, the commands of the Romanian Army showed particular care for the life of the civilian population, helped the inhabitants with food, medicines and clothing, avoided to destroy art monuments and cultural establishments.

In an article headlined "Valiant Deeds, Unforgetable Deeds" contributed in ROMANIA LIBERA, Th. Serbanescu presents Budapest of today, its place and role in the economic, social and cultural life of Socialist Hungary. Next he highlights the contribution of the Romanian Army to the liberation of the town from fascist domination 41 years ago.

The 19 memorials and funerary monuments erected to the memory of the Romanian soldiers that sacrificed their lives for the liberation of Budapest as well as the tombs in 311 Hungarian localities stand proof of the homage paid to the Romanian soldiers.

The celebration of Budapest's liberation, ROMANIA LIBERA writes, is the celebration of a town to which we are linked by feelings of solidarity for the Hungarian people and by the sacrifice of the 11,000 Romanian soldiers and officers who died in the fights against the fascist occupants.

Marking the same event, SCINTEIA prints travel notes by publicist George-Radu Chirovici headlined "Strolling Budapest." The Romanian journalist highlights the economic and social development of the Hungarian capital city in the years of socialism. Walking through the town he stops in places recalling the fighting and sacrifices of the Romanian soldiers: the Central Post Office, Keleti Railway Station, the hippodrome, etc.

For Budapest to be what it is today, in January 1945 history also recorded the sacrifice of the 11,000 Romanian soldiers, the Romanian journalist writes.

/9604
CSO: 2020/92

CARCANI, MARKO, THOMAI AT FIER PARTY PLENUM

AU200856 Tirana ATA in English 0730 GMT 20 Feb 86

[Excerpt] Tirana, 20 Feb (ATA)--The meeting of the party activists in the Fier District was held. It discussed the generalisation of the experience accumulated and the problems arising from the implementation of the decisions of the 13th plenum of the Central Committee of the party on the realisation of agricultural tasks in 1986 on a frontal scale, with perfected management and organisation and a high spirit of action.

The meeting was attended also by the member of the Political Bureau of the Central Committee of the party and chairman of the Council of Ministers Comrade Adil Carcani, the member of the Political Bureau of the Central Committee of the party and vice president of the Presidium of the People's Assembly Comrade Rita Marko, the minister of agriculture, Themie Thomai and other comrades.

The report under the topic "the frontal realisation of the tasks in 1986 calls for organized actions, scientific discipline, constant and allround supervision" and the contributions underlined the achievements attained over January-February 15 in the field of economy and in agriculture in particular, in implementation of the important tasks set by the 13th plenum of the CC of the party. It was also emphasized the mobilisation and readiness of the working people to launch actions for the solution of the major tasks set in this first year of the 8th 5-year plan. By turning the actions into a method of work for the frontal realisation of the production tasks, as Comrade Ramiz Alia instructed during the visit in Mirdita District, it was stressed in the meeting, a number of actions which will provide a quick solution to the urgent agricultural problems, have been organized. Representatives of other districts also brought the experience gained from the actions launched in their own districts.

Comrade Adil Carcani, too, spoke at the meeting. After assessing the proceedings of the meeting of the party activists, he congratulated the party organisation of Fier District on behalf of the Central Committee of the party, the Council of Ministers and Comrade Ramiz Alia personally for the beginning of an organized and well run work for the solution of many economic problems through the method of actions. Such an action, he said, is also that on the reconstruction of the Vjosa-Levan-Fier big irrigation canal which will enhance the area under irrigation by some 10,500 hectares.

After the meeting, Comrade Adil Carcani went to see the work being made in the youth action for the reconstruction of the Vjosa-Levan-Fier irrigation canal. There he got acquainted with the objectives of the action as well as with the volume of work carried out by the youth, which has concluded the reconstruction work in 80 percent of the canal's length within 2 weeks. In the rally organized here, Comrade Adil Carcani congratulated the youth on their readiness to participate in this action, responding in this way to the call of the party. He also commended the youth on their intensive work and achievements in meeting all their targets, such as carrying out a volume of work planned for 3 months in 10 days' time, despite the difficulties of weather and terrain.

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CSO: 2020/91

WOMEN'S UNION COUNCIL PLENUM CONVENED

AU251021 Tirana ATA in English 0730 GMT 25 Feb 86

[Text] Tirana, 25 Feb (ATA)--The plenum of the General Council of the WUA [Women's Union of Albania] was convened in Tirana on 24 February. It discussed the tasks set to the Women's Union organizations for the frontal realisation of the planned tasks, in implementation of the decisions of the 13th plenum of the Central Committee of the party.

The plenum was declared open by the president of the WUA General Council, Lumturi Rexha.

The report delivered by the secretary of the WUA General Council, Leonara Caro, and the contributions point out the achievements attained by the Women's Union organisations in the attainment of the objectives of the movement "Standard bearers in implementation of the teachings of Comrade Enver Hoxha." Likewise, the speakers summed up the good experience of many collectives, which are mainly composed of women and girls, which last year realised the planned tasks in all the economic and financial indices. Bearing in mind the tasks set by the 13th plenum of the CC of the party as well as the very precious instructions Comrade Ramiz Alia gave during his visit to Mirdite District, the plenum laid down concrete tasks so that the WUA respond better to the drive and mobilisation of the women for the rhythmical fulfillment of the planned tasks in all the sectors of the economy.

The plenum was also addressed by the official of the apparatus of the Central Committee of the party, Kostaq Lazri, who underlined among others the importance of putting into practice the good experience the women gained in overcoming the difficulties of last year.

The plenum also defined the new undertakings to be organised by the Women's Union organisations in the jubilee year of the 45th anniversary of the founding of the party and its 9th congress.

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CSO: 2020/91

YOUTH UNION PLENUM CONVENED

AU190944 Tirana ATA in English 0730 GMT 19 Feb 86

[Text] Tirana, 19 Feb (ATA)--The plenum of the Central Committee of the Lyua [Albanian union of working youth], was held in one of the halls of the Museum of National History on 18 February. In the context of the very valuable instructions that Comrade Ramiz Alia gave in Mirdite district, it discussed on the tasks that the youth organisations and forums have to carry out in order to have a permanent readiness, enthusiasm and mobilisation among the youths, to enhance its militant spirit in the construction of Milot-Rreshen-Klos railway line.

Present at the plenum were also the first secretaries of the Lyua committee of the districts and military units, guests from the central mass organisations and departments, etc.

The plenum was declared open by the first secretary of the Central Committee of the Lyua Mehmet Elezi.

The report held by the secretary of the Central Committee of the Lyua Dese Jako and the contributions to the discussion pointed out the great joy and enthusiasm that the decision of the Central Committee of the party and government for the construction of Milot-Rreshen-Klos railway line by the youth has aroused among the whole youth on our country.

The plenum decided unanimously that the track of the first part of the Milot-Rreshen railway will be completed ahead of the time limit. Moreover, up to 27 April the youth will complete the construction of all the reservoirs in the pastures, planned for this year, whereas the annual plan for the opening of virgin land will be realised within this month. Besides, the opening of the canals of the Helmes reservoir, another national undertaking of the youth, will be over 1 year ahead of time. Another national undertaking of the youth will be the terraces and the plantations of fruit trees to be created in the hills of Leskovik.

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CSO: 2020/91

YOUTH PAPER ON INFLUENCE OF 'DECADENT' MUSIC

AU102030 Tirana ZERI I RINISE in Albanian 5 Feb 86 p 3

[Article by Arben Sinoimeri: "Why Did Lindita Leave the Birthday Party?"]

[Text] A few days ago the young people of an organization at one of the general secondary schools in Tirana met together at the home of a friend to celebrate her birthday.

At the appointed time, everybody gathered together at the home of their friend. In the living room, they greeted each other, wished their friend many happy returns, and also congratulated her parents, who stayed a little while and then politely took their leave.

The afternoon went on; they laughed and told jokes, teased each other, and sang. Then one of the boys put a cassette in the tape recorder and pressed the button. The sounds of an incomprehensible song in jazz rhythm filled the room. The boy who had started the cassette began to explain which group this was, and which group this other one was, all very proud of the "culture" he had mastered. Lindita interrupted and said, "Don't you have any cassettes of our songs, or of orchestral music by a foreign composer, which we too could enjoy?" But Lindita's request hung in the air and received no reply. And, as if in fun, one of the girls whose thinking ran along the same lines as the "cultured" boy said, "Put in a cassette of that great singer F..." Lindita wished them goodnight and left, unhappy. Somebody in the room tried to calm the situation, saying, "Ah well, she's still just a peasant." The next day two or three of the friends who had joined in the birthday party behaved rather coldly to Lindita, and one of them asked if she meant to make the matter a problem for the organization.

We do not mention this matter simply out of interest, but to concentrate a while upon a problem which is apparent here and there among our young people of school age, especially in Tirana. Let us start by saying that the party and the leading youth forums themselves encourage, stimulate, and indeed demand more entertainment activities for young people.

These activities could be broadened, and could also simply consist of small groups with tape recorders or whatever equipment comes to hand. For the sake of the self-motivation of our young people, there have been cases where the excessive tutelage of parents and teachers, who imagine that parties "will spoil our young people," has been criticized. These demands have also been made, bearing in mind the high political and ideological level of our young people, who really do care that their activities should be as healthy in content and as varied in form as possible. These demands remain, because our young people are pure and of good character. Isolated instances, such as we mentioned at the beginning of this article, do not compromise their activities. Mature young people boycott such activities, as did Lindita, but they also stand up for their opinions, as Lindita did not.

So what is going on? There are young people like the boy who called Lindita a "peasant," who behave as if they were the acme of human culture. They have a banal conception of culture. Their "culture" consists of knowing the names of a few decadent singers, and their snobbish flaunting of these names is a complete sham, which has nothing to do with the true culture of our people, who admire things beautiful and progressive both at home and abroad. It is a well-known fact that there are dozens of books translated from contemporary world literature in young people's hands. The cinemas, television, radio, all perform and broadcast films, music, sports events, etc. Beauty and progressive ideas are certainly appreciated. It is also a well-known fact that our young people despise decadent, corrupting, and devitalizing art. Recognizing this, as the party has insisted, we have no reason to hide our heads like ostriches when we come across isolated cases when a few pampered young people obtain the odd cassette of decadent music from their parents.

In a discussion with some young people of the "Ismail Qemali" school, this problem was dealt with, but not with proper seriousness.

Why does the youth organization of this or any other school bow to the "authority" of parents of the kind who tolerate "pseudo-culture" instead of culture in their children?! Why does it simply stand by and watch certain alien manifestations in the dress and outward appearance of these young people who simply vegetate in the shadow of their parents? Why does it not summon the parents of these young people and confront them with the moral responsibility for their attitudes? Of course, the organization discusses these things, but its position often remains a passive one. This attitude corresponds with that of some managers and party cadres. When we raised this topic at the "Sami Frasheri" school, the comrades in charge of party work there told us that they knew nothing, and had seen nothing, though in fact these alien manifestations existed, although on a small scale. But it is better to notice them and nip them in the bud than to wait until they cause concern.

The youth organization should first of all keep ablaze the struggle against these alien manifestations, and strike them with force and strong arguments. It will do this, not bu surrendering its activities, as some people mistakenly think, but by intensifying them and improving their quality, strengthening their healthy content, and raising the quality of the work of the organization in every way. Against this background, "pseudocultured" young people will emerge more quickly into the light of day, and come to understand that they have been swimming in mud and not in clear water.

The Youth Committee of Tirana District has several times set out to struggle against these phenomena. But its organization has been poor and spasmodic, and, most importantly, has lacked decisive strength.

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CSO: 2020/91

POLITICS ALBANIA

WELL-KNOWN WRITER CRITICIZES SCHOOL TEXTS

AU112117 Tirana ZERI I POPULLIT in Albanian 9 Feb 86 p 3

[Article by Ismail Kadare: "On Literary Reading Texts in the Schools"]

[Excerpts] The literary reading texts in eight grade primary schools and the literary anthologies in secondary schools have been under discussion for years, less in the press than in such other forums as symposia, discussion groups, party organizations, and the League of Writers and Artists.

In party documents, in the continual injunctions of Comrade Enver Hoxha, and the recent emphases of the AWP first secretary, Ramiz Alia, on higher standards and better effectiveness in all areas of life, there have been conspicuous demands for a continual and ceaseless improvement in culture. For this to happen, we need to know the present situation and be aware of our successes and failures.

What is the situation regarding the literary texts in question? Let us say frankly that it is not good and must be changed as soon as possible.

Let us look specifically at the texts under discussion. In the readers for the fourth, fifth and sixth grades, their low level is immediately apparent. In jumbled order, without any criterion of selection, appear famous and obscure authors, experienced and dilettante, modern and 19th century, Albanian and foreign. As a consequence, it will be obvious that the texts selected are of very different qualities. So, alongside such famous writers as Sh. Musaraj, J. Xoxe, Dh. Shuteriqi, D. Agolli and others, the pupil reads and learns from other writers (may I be forgiven for mentioning the names of those who, through no fault of their own, simply appear somewhere where they should not) such as A. Bishqemi, F. Malo, I. Dedi, Q. Batalli, R. Pasmaciu, K. Leli, K. Kucuku, B. Resuli, K. Koci, A. Eltari, etc., etc. Somewhere on page 111 between K. Leli and I. Dedi there appears for the first time a distinguished writer from the literature of our part, Sami Frasheri, but since his name is written only with an initial (S. Frasheri), and there is no kind of additional note, and since he turns up among young modern writers, the pupil may possibly take no notice of the great writer of the national renaissance. Naim Frasheri and Cajupi turn up for the first time on page 135 (the whole book has 168 pages), for some reason stuck between Gj. Zheji and K. Koci. Meanwhile N. Krupskaya appears as the only foreign writer, between the folk song "Mother Calls, Boys, Where Are You?", and B. Resuli, and without any indication that she was Lenin's wife.

The fifth grade reader is arranged in the same way and is of the same low level. It begins with a so-called folk song, which is in reality nothing of the kind, and has not a trace of folk inspiration: "O party you are a great mountain/ Of you my heart does sing./ You stand fast to Marxism/ So never err in anything." (As we will see later, some of these so-called folk songs are the work of feeble literateurs or workers in centers of culture, and have nothing to do with the art of the people.)

Such texts, where everything is muddled, supposedly for the sake of fidelity to the syllabus, can only create confusion in the minds of pupils, and damage their taste, and will eventually lead to their complete disillusion with literature.

In the seventh and eighth grade texts there is an effort to avoid muddle and create some sort of system. This is no doubt a step forward, but it would have been something to commend if other apparent weaknesses had been avoided. The main defect is a false picture of folk poetry. Alongside true poetry, there is banal versifying of this kind: "through our deeds we increase stature/ Forging steel musculature." It is intolerable, in a country distinguished for its great treasury of oral poetry, that our schoolchildren should be given such verses.

It is a good idea to group separately writers of the socialist era, writers of the past, and foreign writers, but within these groups there are also weaknesses, a mixture of the outstanding with the mediocre, inexcusable omissions, and the substitution of worthless writers for great ones, etc.

Now the pupil is 14 or 15 years old, at one of the most enthusiastic ages for reading. He has a more or less confused, kaleidoscopic idea of modern Albanian literature, which he has swallowed whole, grain and chaff together. He also has a truncated concept of tradition. He knows nothing of the 400 years of old Albanian literature--and does not even know the names of Barleti and Buzuku. Of the great treasure-house of folk literature he knows virtually nothing. He does not know the famous ballads, those rare pearls which our people have given to world literature, and which are eminently suitable for any anthology. As far as world literature is concerned, the editor's devotion to the commonplace and mediocre is such that its effect is noticeable here too. Although the pupil has been introduced to 25 foreign writers, he still does not know Homer, Aeschylus, Dante, Cervantes, Shakespeare, Goethe, and Tolstoy. These omissions are truly amazing, because several of these geniuses, such as Homer and Cervantes, are suitable for any school reader, and for ages our tradition had not excluded them from the school curriculum.

For the reasons mentioned above we think that a review of these textbooks is an urgent need and that it will not be so difficult as it might appear. The main thing is that the organs concerned with this work, especially the Ministry of Education and Culture, the publishing house for school books, and the authors who will be undertaking the job, understand that this is an extraordinarily serious matter, on whose success many other things depend. It is important to understand that the literature which the pupil learns in school is not something temporary and ephemeral which will be replaced later by another literature. It is true that the pupils' knowledge will be enriched later and will be augmented and supplemented but the foundation will not change.

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CSO: 2020/91

POLITICS

ALBANIA

BRIEFS

MALILE RECEIVES BELGIAN ENVOY--Tirana, 26 Feb (ATA)--The Minister of Foreign Affairs of the People's Socialist Republic of Albania Reis Malile received the Ambassador Extraordinary and Plenipotentiary of the Kingdom of Belgium to the People's Socialist Republic of Albania, Jan R. Blancquaert concerning the forthcoming presentation of the credentials to the president of the Presidium of the People's Assembly of the People's Socialist Republic of Albania. [Text] [Tirana ATA in English 0730 GMT 26 Feb 86] /9604

ALIA GREETS GUYANAN PRESIDENT--Tirana, 23 Feb (ATA)--The president of the Presidium of the People's Assembly of the People's Socialist Republic of Albania Comrade Ramiz Alia sent the following message of greetings to the president of the Cooperative Republic of Guyana, Hugh Desmond Hoyte: "On the occasion of your national day, I have the pleasure that in the name of the Albanian people, the Presidium of the People's Assembly and in my name, to convey to you cordial greetings and to the people of Guyana the best wishes for wellbeing and prosperity. I express the conviction that the relation of friendship between our two countries will develop further in the future in the interest of our two peoples." [Text] [Tirana ATA in English 0910 GMT 23 Feb 86] /9604

CSO: 2020/91

CZECHOSLOVAKIA

POLITICS

PALESTINIAN OFFICIAL DENOUNCES AMMAN ACCORD

AU181448 Bratislava PRAVDA in Slovak 15 Feb 85 p 5

[CTK Report: "The Amman Accord Is Concession to Imperialist Forces; Restoring the Unity of Palestinian Ranks"]

[Text] Damascus (CTK Correspondent)--We regard the current situation in the Palestinian movement to be ripe for a change and have therefore come forward with an initiative aimed at restoring the unity of the Palestinian ranks. This is what Yasir Adib 'Abd Rabbuh, deputy general secretary of the Democratic Front for the Liberation of Palestine, said in an interview with a CTK correspondent in Damascus yesterday [14 February].

The so-called new political strategy of a part of the Palestinian leadership rested in the notion that it is possible to solve the Palestinian problem on the basis of cooperation with imperialist forces, which would be willing--at the price of concessions on the part of the Palestinian movement--to force Zionism to a solution acceptable to the Palestinians, Yasir Adib 'Abd Rabbuh said.

That strategy has led to a split in the Palestinian leadership and is, in substance, incorrect, because imperialism and Zionism are allies.

The events in the year that has elapsed since the signing of the so-called Amman accord between the PLO and Jordan clearly showed that the policy expressed in that accord has no chance of bringing about a genuine resolution of the Palestinian question.

The Democratic Front for the Liberation of Palestine and other Palestinian formations [zlozky] now point out that there still exists the alternative of a united Palestinian national front to the policy of the "American solution," and call for the restoration of the movement's unity on the basis of abrogation of the Amman accord. Only such unity can bring the Palestinians the fulfillment of their objectives.

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CSO: 2400/198

CONFERENCE DISCUSSES DEVELOPMENT OF AIR FORCE PREPAREDNESS

LD230201 Prague Television Service in Czech and Slovak 1830 GMT 22 Feb 86

[No video available]

[Text] Even at this moment, the air forces are ready for an immediate take-off at predetermined airports. The process of strengthening further the high degree of readiness of all sections of the air force of the Czechoslovak People's Army requires, however, this very aspect of the responsible service to overcome with greater determination old habits and inertia and to achieve ever higher qualitative indicators in mastering new military hardware.

It was on these key issues of the everyday activity that delegates to the conference of a group [SVAZ] of communists focused their deliberations today. They stressed, among other things the demands made by the accelerating pace of scientific and technological development, accompanied by changes in the conduct of combat corps, pilots, and ground specialists. The implementation of the new tasks also calls for enterprising participation by every member of the group in applying new, creative attitudes and carrying out changes in work style and methods. What does this mean specifically for you?

[Unidentified speaker] The number of experienced pilots in the unit is dimishing and so the burden of training of the youngest generation rests on the generation of us who are in our thirties. In this we see our party responsibility toward our younger comrades who arrive from the training school very well prepared politically; but a fighter pilot trained to cope with all sorts of weather conditions both day and night can only be made at a combat unit.

To raise the effectiveness of air force training, we must make far better use of each training flight, coupled with a thorough analysis of the activity after landing.

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CSO: 2400/198

LUCAN ADDRESSES WORLD CONFERENCE ON BROADCASTING IN PRAGUE

LD181557 Prague Domestic Service in Czech 1430 GMT 18 Feb 86

[Excerpts] The fifth world conference of radio broadcasting and television unions opened in Prague today to discuss broadening international cooperation in program exchanges. Matej Lucan, the head of a federal government's delegation and the federal vice premier, appreciated in his speech the fact that the CSSR has become the host to the delegates of the conference.

We desire, Matej Lucan went on, that space serves to promote mutually fruitful exchange of information, and broadcasts both cultural and sport programs. He went on to say that the progress in both the communication and television technology which is also spreading to an unprecedented degree also to space, would be substantially faster if the sources expended on armaments and space military systems were devoted on the development of telecommunication satellites, on a better transmission of signals and the reception of them. It is a well-known truth that when weapons are silent the arts speak. Man can thus create new values, live without fear of tomorrow. He voiced the conviction that the meeting will discuss these issues. At the same time he appreciated its intention to contribute to making the work of every radio and television station easier. This will enable the largest possible number of people the world over to know in a good time what is happening in its individual parts, to make the right decision and to be present when the interest of progress requires it.

Matej Lucan gave assurances that socialist Czechoslovakia, will spare no effort to give its support to every endeavor which influences in a progressive way the thinking of man and which leads to a resolute struggle to tackle the difficult problems facing the present day world.

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CSO: 2400/198

BRIEFS

POLICE ACADEMY DEPARTMENT MOVED--Bratislava (CTK)--Within the framework of setting up a new and more effective system of education and upbringing within the CSSR Ministry of Interior, a second department of the Advanced School of the National Security Corps began to operate in Bratislava yesterday. It is the Department for the Protection of State Borders, which moved here from Holesov in Moravia and joins the Department of Investigations, already operating in Bratislava. On this occasion, a service-political aktiv was held at the school yesterday, which was attended by Ladislav Sadovsky and Jozef Sevc, heads of CPSL Central Committee departments, and other guests. In a festive speech, Major General Alojz Lorenc, CSSR first deputy minister of interior, spoke about the need to constantly improve the political and professional training of socialists in the needs of the National Security Corps, the Border Guards, and the troops of the CSSR Ministry of Interior in order to permit these highly educated members of the socialist security apparatus to fulfill all the exacting tasks of the CPCZ's security policy. [CTK Report: "New Department in Bratislava"] [Text] [Bratislava PRAVDA in Slovak 11 Feb 86 p 2 AU] /12232

HUSAK RECEIVES BRAZILIAN DELEGATION--Gustav Husak, president of the republic, has received a delegation of the Brazilian Congress headed by its President Jose Fragelli, which is on an official visit to Czechoslovakia, at Prague Castle today in the presence of Alois Indra, chairman of the Federal Assembly. In a friendly talk it was noted that although there is a long tradition of mutual relations between Czechoslovakia and Brazil, their current level does not correspond to the possibilities for needs of both countries. Both sides therefore expressed the wish to extend and strengthen mutual relations and cooperation in all spheres. This is the aim served by the present visit of the Brazilian senators, which means not only the renewal of official parliamentary contacts, but also promotes a better understanding of the lives of both countries' peoples. In an exchange of views on current international developments, it was stressed that both countries have a close or similar position on a number of international issues. [Text] [Prague Domestic Service in Czech and Slovak 1300 GMT 20 Feb 86 LD] /12232

COLOTKA INSTALLS BRATISLAVA MAYOR--At an extraordinary meeting of the National Committee of Bratislava today, its deputies elected Stefan Bartak as the new city mayor. The proposal to release Ladislav Martinak from that office at his own request in connection with his state of health and retirement was submitted by Gejza Slapka, member of the CPSL Central Committee presidium, chief secretary of the Bratislava City Party Committee, and chairman of the National Front

City Committee. At the same time, he submitted to the deputies a joint proposal of the city bodies of the CPSL and the National Front to elect Stefan Bartak to the office. The new mayor of Bratislava was installed in his office by Peter Colotka, member of the CPCZ Central Committee Presidium and Slovak premier. He paid tribute to the years-long creative activity and meritorious work of Ladislav Martinak in state and party bodies. At the same time, he voiced the conviction that the new mayor, Stefan Bartak, will make use of the existing experiences for the fulfillment of the tasks facing the Slovak capital. In recognition of his merit in promoting the development of the city, Stefan Bartak presented to Ladislav Martinak a prize of the National Committee of Bratislava. [Text] [Prague Domestic Service in Czech and Slovak 1700 GMT 21 Feb 86 LD] /12232

SENTENCING FOR ATTEMPTED ESCAPE--The Municipal Court in Bratislava today, after a 4-day session, sentenced Jozef Rohac and Ernest Recka, who last September, by taking a hostage and firing at border guards and National Security Corps members, attempted a forced crossing of the Czechoslovak state border into Austria. The two accused were found guilty of committing the crime of terrorism according to Paragraph 93 of the Criminal Code. Josef Rohac was sentenced to 13 years--the sentences will be carried out in the third degree of severity. The two accused were also sentenced to 3 years of protective supervision. During the main trial, Jozef Rohac and Ernest Recka, together with the rest of the accused, were answering for other criminal activity--theft, deception, parasitism, (?forgery) and unjustified leaving of the territory of the republic, which they had committed before in the district of Levica and in other places in Czechoslovakia. [Text] [Prague Domestic Service in Czech and Slovak 1900 GMT 24 Feb 86 LD] /12232

CSO: 2400/198

REFUGEE FUNNELING TO DENMARK REPORTED DIMINISHING

Copenhagen BERLINGSKE TIDENDE in Danish 7 Feb 86 p 6

[Article by Anders Wiig: "Effective Agreement With the GDR: the Stream of Refugees in Drying Up"]

[Text] The doors have actually been closed for refugee funneling through the German Democratic Republic to Denmark, the Danish Aliens Directorate states. In January, 211 refugees arrived in Denmark, as against 748 in December.

The stream of refugees into Denmark has decreased sharply following the implementation of the agreement with the German Democratic Republic to put a stop to refugee funneling to Denmark and Sweden. Now, hardly any refugees arrive in Denmark via the German Democratic Republic. In January, the number of so-called spontaneous refugees was half the number of January 1985. However, the situation is not nearly the same as the one prevailing before the flow of refugees into Denmark really gathered speed in 1984.

In the entire month of January, 211 refugees sought asylum in Denmark as against 427 in January of 1985. The drop from the last few months of 1985 is even sharper. In January of this year, the number of refugees seeking asylum in Denmark was only 28 percent of the number in December of 1985. The Danish Aliens Directorate has reported that 1281 refugees arrived in October of 1985, 1140 in November of 1985 and 748 in December of 1985.

There May Be Other Causes

The sharp decline to 211 in January may, however, have other causes than the stoppage to the funneling through the German Democratic Republic in that the numbers of refugees arriving during the winter months of 1984 and 1985 were also rather low.

In January and February of 1985, 427 and 342, respectively, arrived as against the far larger numbers during the summer and fall months. However, back in 1984, the figures for the early months of the year were quite different--53 in January and 39 in February.

Flow Via GDR Ceased

The Aliens Directorate and the National Police dare not make any predictions for 1986. However, Frede Brandt Jensen, assistant public prosecutor of the Aliens Directorate, says that the flow from the German Democratic Republic has now stopped. "At the moment, no further refugees arrive via that country. An occasional refugee seeking asylum in Denmark still arrives at Gedser but that has got no bearing on the statistics. Since the stoppage of the funneling through the German Democratic Republic, the composition of the nationalities of those seeking asylum has also changed," says Brandt Jensen. In 1985, most of the refugees seeking asylum in Denmark were Lebanese, Iranians and Poles. In January of 1986, the largest numbers came from Poland, Sri Lanka, with Iran taking up the third place. Refugees from Africa, including Ethiopia, now also count in the statistics. Most of the Iranians now entering the country are children being united with their refugee parents. This is the legal right of the children under the Danish Aliens Law. The Danish authorities do not know how these children escape from their home land which their parents left as persecuted refugees.

It was, to a large extent, Lebanese and Iranians who arrived in Denmark via the German Democratic Republic. In late 1985, the Danish and Swedish Ministries of Foreign Affairs entered into an agreement with the German Democratic Republic under which refugees seeking asylum in Denmark and Sweden would not be allowed to continue to Denmark and Sweden from the German Democratic Republic without entry permits obtained beforehand from a diplomatic representation. The result is that many refugees seeking asylum end up in East Berlin, from where they trickle into West Berlin and West Germany. Especially in West Berlin, which has got no actual entry control, the refugee problems pile up for the local government, the senate. An agreement limiting the number of refugees arriving in West Germany from the German Democratic Republic was recently concluded, but its impact on West Berlin, which has not been recognized by the German Democratic Republic as belonging to the Federal Republic, has not yet been clarified.

Most Refugees Arrived at Kastrup Airport

In January, most of the 211 refugees seeking asylum in Denmark arrived by air directly to Kastrup, by regular liner from Poland, and as far as many refugees from Sri Lanka were concerned, via the border in North Schleswig. In January, 40 arrived via Kastrup Airport. A somewhat larger number now tends to arrive via Kastrup Airport, says Police Superintendent Torben Juul Andersen. However, it is still too early to establish whether those seeking asylum in Denmark are finding new roads of escape after the closing of the doors of the German Democratic Republic to Denmark. Kastrup Airport and the North Schleswig frontier have far from taken over the position of the Warnemunde-Gedser route as port of entry for refugees from the Middle East and the Far East.

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CSO: 3613/71

FRG EDITOR ASSESSES CULTURAL AGREEMENT, DISAGREEMENT

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 8 Feb 86 p 10

[Article by Dr Peter Jochen Winters, head of Berlin editorial staff, datelined Berlin, in February: "The War's Aftermath and Cultural Agreement--The GDR No Longer Intends to Boycott the Prussian Cultural Properties Foundation"]

[Text] A "joint protocol" is attached to the inner-German cultural agreement concluded between Bonn and East Berlin which has been submitted to the Laender for their approval. "The differing points of view regarding the cultural properties relocated in wartime remain unresolved," the protocol states. "The parties to the agreement announce their readiness to resolve issues connected with cultural properties relocated in wartime to the best of their ability." The first sentence above leaves the question of ownership of the former Prussian cultural properties out of consideration. In the FRG the "law on the establishment of a 'Prussian Cultural Properties' foundation and the transfer of assets of former Prussia to the foundation" remains in effect. The law, passed in 1957, transferred the property and other cultural assets of Prussia to the 'Prussian Cultural Properties' foundation. These include above all archive, library and museum holdings as well as other fine art and science collections, including furnishings. In the GDR, on the other hand, the 1978 "Directive Regarding the State Museum Fund of the GDR" stipulates that all museum holdings and collections which were originally situated on the present territory of the GDR and which are no longer situated there due to relocation or for some other reason shall be a part of the state museum fund.

During the first stage of the negotiations on the cultural agreement which began in November 1973, the GDR demanded that the FRG return those objects of art belonging to Prussia which had been situated on what is now GDR soil prior to 1945, particularly on the museum island in East Berlin, and that talks on cultural cooperation could not begin until that condition had been met. The FRG government categorically rejected this demand, stating that the matter of Prussian cultural properties located in the three Western occupation zones and the three Western sectors of Berlin as of 9 May 1945 had been definitively settled in accordance with Allied law and FRG law based on international law. As a result, the cultural negotiations were broken off in October 1975. It was not until fall of 1982 that the GDR relented. At that time, Honecker proposed that the Prussian cultural properties issue be left out of the discussion and that negotiations on a cultural agreement be resumed. In September 1983, the second phase of the negotiations began. In November of last year, the two sides concurred on the wording of the agreement.

The decision to leave the property issue out of the discussion (as stated in the "joint protocol") does not mean, however, that the actual holdings of the Prussian Cultural Properties Foundation will also be excluded from inner-German and international exchange programs. In fact, it was one of the primary goals of the FRG government to make sure that the Prussia Foundation was included in cultural exchange programs. The foundation includes the 14 state museums, the state library, the secret state archives, the Ibero-American Institute and the Institute for Music Research with its museum of music instruments in Berlin. The foundation, which is funded by the federal government and all the Laender and has its seat in Berlin, is not merely expected to preserve and take good care of the cultural properties in its charge but also to augment the collections and to make them available for international cultural exchange programs. Until now, inclusion of the foundation in inner-German and international cultural exchange programs has been difficult because the GDR consistently refused to participate in exhibits in the FRG or in foreign countries which also included items borrowed from the foundation. Not a few museums both at home and abroad dispensed with the participation of institutes associated with the foundation so as to be able to obtain items on loan from the GDR.

In the course of the negotiations on the cultural agreement the GDR gave its verbal assurance to boycott the foundation no longer and to base participation in events in which the foundation is also involved solely on professional --above all on conservational--criteria. What value can be attached to this assurance, only the future can tell; but first indications are that the GDR is keeping its promise.

This assurance and the wording of the first sentence of the joint protocol which was proposed by the GDR means in effect that the GDR is prepared to accept the post-war situation, i.e. that those former Prussian holdings which were located in the West as of 9 May 1945 are the property of the FRG and those which were located in the Soviet zone of occupation and in East Berlin at that time are the property of the GDR. If both sides are now prepared to honor the other's rights of ownership--and that seems to be the case--then they could sit down and talk about each other's requests for the return of items not belonging to the former Prussian properties.

This latter issue is addressed by the second sentence in the joint protocol which refers to the intention of both sides "to resolve issues connected with properties relocated in wartime to the best of their ability." Although the cultural agreement has not yet been signed and no date has been set for its signing or enactment, representatives of the two sides have already met twice to discuss the return of archive holdings relocated during the war. The FRG has an interest in getting back the Hanseatic archives of the cities of Hamburg, Lubeck and Bremen parts of which are presently located in the GDR and the GDR, for its part, is interested in Mecklenburg and Anhalt-Zerbst archives presently located in the FRG. Some of the problems encountered in these ongoing negotiations concern the exact determination of prior ownership. Items which were part of the responsibility of the ministry of science and education for the German Reich and Prussia until 1945 or of the minister president of Prussia are off limits because they are part of the Prussian cultural properties. Another problem is how to strike a balance between the requests of the two sides. There are more Western archives located in the East than there are Eastern archives in the West. Still, it should be possible to resolve the issue amicably, if a decision is made to turn to other cultural properties relocated during wartime after the archives have been dealt with.

The Bonn government has only been able to enter into negotiations with the GDR on the return of cultural properties relocated during wartime because the provisions of the 1965 property settlement law were changed. Previously, the law prohibited the transfer of cultural property belonging to public corporations, institutions or foundations established prior to 9 May 1945 in accordance with German law which did not have their last seat within the territorial confines covered by the Basic Law. Under the law, archive, library and museum holdings and other fine art and science collections, including their furnishings, belonging to such previous owners were transferred to the trusteeship of the Prussian Cultural Properties Foundation. The law further provides that a trustee is not empowered freely to dispose of such property. The Bundestag has now decided with the concurrence of the Bundesrat that the trusteeship of individual cultural items may also be terminated "if the minister of the interior decides to transfer them to individuals or agencies in the GDR or East Berlin." This new provision enables the Bonn government to return cultural items which proves that the government is serious about looking for ways "to resolve issues connected with cultural properties relocated in wartime to the best of its ability."

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PZPR PROVINCIAL COMMITTEES HOLD PLENUMS

Kielce Plenum

Warsaw TRYBUNA LUDU in Polish 28 Jan 86 p 2

[Article by Tadeusz Wiacek: "Kielce: Are Youth Able to Advance?"]

[Text] At the 13th CC Plenum, a document was adopted that is entitled "Major Assumptions of PZPR Cadre Policy." Over 2 years have passed since the plenum. Therefore, it is now possible to make a more precise examination of how its provisions work, how they are implemented and how they are verified in practice. This was discussed on 27 January at a PZPR KW plenary meeting in Kielce.

During the period, changes were made in 463 administrative positions in the state and economic administration, the cooperative administration and the party apparatus. Some of these came about naturally. Most of the changes were dictated by the need to streamline the management of particular units. And why hide it--some of the management cadre were unable to cope with current demands. Moreover, the ethical-moral attitudes of some chiefs aroused serious reservations on the part of employee bodies. That the selection of the new cadres was well aimed is shown by the fact that during a cadre review made in 1985, only one person from this group received a negative evaluation. What is especially important is that the "cadre carousel" so severely criticized by society was eliminated, i.e., none of those dismissed for lack of competence or for ineffectuality were appointed to parallel positions. As was reported at the plenum, it is unfortunate that there are still cases in which these individuals are being defended both by some POP's and by employee self-governments.

It was noted that in general all party echelons have expanded their base for cadre selection. The statement was made that this is clear progress by comparison with previous years. At the same time, the still insufficient number of young people promoted to administrative positions is puzzling.

Why does this happen? The plenum revealed several answers to this question. In many party committees and enterprise administrations, "internal" opposition exists against promoting young people. In such cases, one usually hears the argument that except for professional expertise, young employees do not have extensive experience in managing groups of people. But where are they to gain such experience? Has this been facilitated for them? Such questions are perplexing.

On the other hand, one also notes the unwillingness of young people to hold administrative positions that obviously require a greater work input and responsibility above all. Although this phenomenon is uncommon, it should be considered more carefully both by party organizations and by youth organizations, for whom the struggle against the passivity of the younger generation is a primary task.

Hence what is foremost is the need for a certain amount of conscious risk taking, for the easiest thing is to close off the road to youth advancement. It was decided at the plenum that party echelons, enterprise managements and units of the state administration should verify their programs of working with young people. This is especially so since the share of youth in the cadre reserve is unsatisfactory.

The plenary meeting of the PZPR KW in Kielce was conducted by KW First Secretary Maciej Lubczynski. The tasks of the provincial party organization during the pre-congress campaign also were discussed during the deliberations. Docent Dr Zbigniew Dulewicz was appointed KW secretary for organizational affairs.

Opole Plenum

Warsaw TRYBUNA LUDU in Polish 28 Jan 86 p 2

[Article by Edward Filipczyk: "Opole: Self-Verification Helps in Work"]

[Text] The subject matter of the PZPR KW plenum held in Opole on 27 January was the implementation of the resolutions of the Party Provincial Committee in Opole following the Ninth Extraordinary Congress and the tasks of the provincial party organization preceding the 10th Congress.

The deliberations were conducted by KW First Secretary Eugeniusz Mroz. The plenum opened with reports on the implementation of the recommendations made at the preceding KW plenum.

In the report and during the discussion, that was participated in by over a dozen comrades, touched upon many subjects and at times was polemical in nature, an assessment was made of the difficult period for party work represented by almost the last 5 years. In the estimation of many of the discussants, this sort of generally critical view taken of our own work is very useful for molding the present and future of party work. During the past year, the numerical decline of PZPR ranks was halted in the Opole Province. More and more workers and farmers are joining the party, including young people as well.

It was emphasized that not only are scheduled verifications necessary, but the self-verification of the implementation of local resolutions in particular is becoming indispensable. This is also evident in the excessive number of such resolutions, causing the dissipation of means and methods and a formal, lip-service approach to them. Stanislaw Dzugaj from the OTMET Plant and Jozef Strzelecki, WKR chairman, spoke of this.

Andrzej Andraszak from Brzeg and Jerzy Wantula from Bierawa noted the need to implement recommendations made by the public that were adopted during the election campaign for the people's councils and the Sejm. Here much depends upon the attitudes of party members in the community. Party discussions prior to the 10th Congress should foster the activation of members and entire organizations on these matters as well.

The plenum confirmed the plan of the political-organizational execution of the congress campaign in the province. During the organizational portion, the former rector of WSI in Opole, Doc Dr Hab Zdzislaw Kabza was elected PZPR KW secretary by secret ballot.

Wloclawek Plenum

Warsaw TRYBUNA LUDU in Polish 28 Jan 86 p 2

[Article by Marek Badtke: "Wloclawek: Authority Is Gained Through Action"]

[Text] The peasant sees the truth and expects it from the forces that lead in the village today, said farmer Jozef Filipski from Skrwilno gmina at yesterday's (27 January) PZPR KW plenum in Wloclawek. Such a role falls to the party in the rural community. A strong party organization that takes the offensive is able to convince the community to blend skillfully vital rural matters with the assumptions of our party's farm policy.

Authority and the ability to lead are gained by the conscientious observance of the statutory assumptions of the PZPR and its active presence in the community. Do we manage, however, to accomplish this to a sufficient degree? How well do PZPR members that work in socio-vocational organizations and self-governments to popularize and mold party farm policy do? What are we doing to maintain close ties with the community?

These are only some of the fundamental questions contained in J. Filipski's speech.

The party discussion that began before the 10th PZPR Congress is a good opportunity for really taking stock of both the achievements and the shortcomings of entire POP's and particular PZPR members and candidate members. This must really be a time for serious reflection yielding useful conclusions for streamlining political work in rural areas, said those attending the plenum. Wieslaw Roman from Fabianki said that this applies as well to the party aktiv.

The results of political work in rural areas would be more significant if the aktiv utilized its potential skillfully. Wladyslaw Kubiak from Wloclawek said that it is imperative that rural young people be won over skillfully to party affairs. Meanwhile, appropriate forms of cooperation with the ZSMP, the ZMW and the ZHP have not been found in all gmina echelons.

The resolution adopted at the conclusion of the deliberations, in which CC Secretary Henryk Bednarski participated, states that the varied level of the work of rural party organizations requires that decisive action be taken aimed at equalizing the level of political work and at strengthening and expanding party elements in the rural community.

Przemysl Plenum

Warsaw TRYBUNA LUDU in Polish 28 Jan 86 p 2

[Article by Jan Miszczak: Przemysl: An Assessment of the Development of Food Production: The PZPR KW and ZSL WK Joint Plenum]

[Text] On 27 January in Oleszyce, a joint plenary meeting of the PZPR KW and the ZSL WK in Przemysl was held at the agricultural schools group, outstanding in the Przemysl Province. The topic was an assessment of the development of food production in the province from 1982 to 1985 and the directions of development of the village, agriculture, the food economy and forestry through 1990. Participants in the plenum included PZPR CC Secretary Zbigniew Michalek and ZSL NK vice president, Deputy Premier Jozef Koziol.

It was emphasized that the actions embarked upon by PZPR and ZSL echelons and elements have enabled the attainment of good results in the agriculture of the province. This is of special importance in this region, where nearly two-thirds of the population lives in rural areas and farm lands and forested lands occupy over 90 percent of the total area.

It was stressed that we must be aware that many important tasks still await our solution, especially since the potential for the further development of farm production in Przemysl is still great.

The most urgent task at present, requiring the intensified activism of members of the party and the allied party, is the ordering of land management affairs.

The discussants devoted much attention likewise to problems of improving the social-essential conditions of rural residents. Jozef Koziol referred to this in his address.

Zbigniew Michalek addressed the issues raised in the discussion, stressing that, in accordance with the decisions made by the Ninth Party Congress and the 11th PZPR CC and ZSL NK Plenum, the basic goal in the field of agriculture and the food economy continues to be the maximum satisfaction of the growing food requirements of society and, thereby, constant concern over improving the living and working conditions of the rural population.

The plenum adopted a resolution specifying the directions of action and the tasks of special importance in the program of implementing the program of development of rural areas, agriculture, the food economy and forestry from 1986 through 1990.

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PZPR PROVINCIAL COMMITTEES HOLD PLENUMS

Ciechanow Plenum

Warsaw TRYBUNA LUDU in Polish 24 Jan 86 p 2

[Article by Tadeusz Woicki]

[Text] "The tasks of party echelons and organizations in implementing the socioeconomic plan for 1986 in light of the 23d PZPR CC Plenum" and the plan of action of the provincial party organization up to the 10th Party Congress was the subject matter of deliberations of the PZPR KW Plenum held in Ciechanow on 23 January.

It was noted that last year's economic results in the Ciechanow Province were positive; in many fields they were better than results on the national level. Industrial production rose nearly 10 percent. Plans in housing construction have been implemented for 3 successive years. Favorable trends have been noted in agriculture and animal husbandry, as well as in the procurement of farm products.

It was also noted, however, that the definite progress cannot obscure the weaknesses that are still evident. Considerable unused reserves of production capacities still exist, especially in the construction materials industry.

It was noted that the planned development of the region can be achieved only through a basic improvement in all fields of management.

The campaign preceding the 10th PZPR Congress was discussed in terms of the implementation of complex economic tasks in 1986.

One of the discussants said: " 2 or 3 years ago, it seemed to many of us that it is enough to democratize life in the party, to create self-government, it is enough to say: 'we are implementing the economic reform' for prosperity to be achieved all by itself. Meanwhile, attaining economic stability is a much more complex matter. Many changes ushered in by the Ninth Party Congress, such as liberating human initiative and expertise and a new approach to one's work and to responsibility, are changes that must be made within people themselves."

Leszek Miller, director of the PZPR CC Youth, Physical Culture and Tourism Department, took part in the deliberations.

Sieradz Plenum

Warsaw TRYBUNA LUDU in Polish 24 Jan 86 p 2

[Text] The subject of the PZPR KW Plenum held on 23 January in Sieradz was the principles of the creation of the concept of socioeconomic development in the province from 1986-1990 against the background of the results of the 3-year plan for stabilizing the provincial economy and in light of the 23d PZPR CC Plenum.

Both in the report and during the discussion it was noted that despite the difficulty period in which the guidelines of the 3-year stabilization plan came to be implemented, in the most important spheres of operation, these tasks were fully implemented. Moreover, the results attained by industry, construction and agriculture were markedly positive.

The plenum resolution, that took the views expressed in the discussion under consideration, stated that real premises have arisen for improving the living conditions of Sieradz Province residents. It was proposed that the principle of earmarking maximum funds for capital spending projects that are highly efficient should be adopted as the basic investment criterion. Capital spending projects in the sphere of the food economy in the broad sense were recognized as priorities in the sector structure of the economy.

During the Sieradz Plenum, in which Marek Holdakowski, director of the CC Economic Department, participated, a resolution was passed concerning the tasks facing the provincial party organization before the 10th PZPR Congress.

Torun Plenum

Warsaw TRYBUNA LUDU in Polish 24 Jan 86 p 2

[Article by Marek Badtke]

[Text] Without substantial progress in the economy, it will be difficult to raise the living standard of working people--this was the basic motif of yesterday's (23 January) plenary deliberations of the PZPR KW in Torun. During the plenum, in which Politburo member, CC Secretary Marian Wozniak participated, tasks of the provincial party organization emanating from the 23d PZPR CC Plenum Resolution were outlined.

Torun is a region where the tasks of the past 3-year plan were implemented successfully. Industrial plant workforces increased production 15 percent over 1979 figures. Both the agriculture and the construction of the province are ranked among the foremost in the country.

This, however, is no cause for complacency. This was clearly evident both in the PZPR KW Executive Board report and in the lively, and sometimes controversial, discussion. The need to increase market production volume and to accelerate export necessitates the immediate rejection of stereotypical thinking and organizational schematics in favor of cost effectiveness.

Piotrkow Trybunalski Plenum

Warsaw TRYBUNA LUDU in Polish 24 Jan 86 p 2

[Article by Paulin Plominski]

[Text] The implementation of the 3-year socioeconomic plan and the tasks of the provincial party organization in implementing this year's plan were the major topics of the PZPR KW plenary meeting held in Piotrkow Trybunalski on 23 January.

PZPR KW First Secretary Stanislaw Kolasa was the chairman. Plenum guests included Politburo candidate member, PZPR CC Secretary Jan Glowczyk and Wladyslaw Honkisz, director of the PZPR CC Cadre Policy Department.

In making the executive board report, KW Secretary Tadeusz Szarlej stressed that during the past 3-year plan, industrial production in the region rose 46 percent. The diligent workforce of the BELCHATOW ZGE had the largest share in this. Although the construction of this enormous investment only recently passed the halfway mark, the utilization of the part that has been put into service is yielding great benefits to the national economy. During the past 3 years, miners exceeded their tasks by 5 million tons of brown coal and power industry workers produced an extra 4 million megawatt-hours of electrical power. Moreover, in the production of synthetic fibers, ceramic tile and furniture, the level of highest production achieved in 1979 was exceeded. Agriculture also attained good results, and from the viewpoint of livestock and milk procurement, the Piotrkow Province was among the leading throughout Poland.

During the deliberations, a detailed operating schedule was adopted for stepping up actions aimed at economical management and the battle against waste.

All party members also must assume responsibility for implementing programs of energy, raw materials and fabricated materials conservation, acting to make this a society-wide process in all fields of life and a permanent element for improving management efficiency and increasing production. The role of the party, in cooperation with unions, the self-government and youth organizations, is to inspire and carry out the economic education of workforces in this very direction. PZPR CC Cadre Policy Department Director Wladyslaw Honkisz stressed the role of the management cadre in implementing the policy of Poland's development.

Politburo deputy candidate member, PZPR CC Secretary Jan Glowczyk addressed the preceding issues, pointing out that they are currently an especially vital element of party discussion and activities, representing the basis for the recommendations and resolutions to be adopted by the highest party forum.

A program of political-organizational activities for the pre-congress campaign also was adopted during the deliberations.

According to Alfons Koscinski, at APATOR and in many other regional enterprises, such as the Grudziadz STOMIL Plant, by cementing cooperation with the employee council, the trade union and the youth organization, the party organization is inspiring an increase in production and improved labor productivity and product quality. The party should lead in the process of transforming the consciousness of workforces and aiming to increase management efficiency.

The Torun deliberations, however, lacked a critical party analysis of such negative phenomena as the incomplete utilization of work time, lax discipline and uneconomical management. Meanwhile, party organizations should give decisive battle to these very tendencies.

At the conclusion of the discussion, Politburo member, CC Secretary Marian Wozniak gave an address. He pointed out the need for further evoking a sense of thrift in society, for accelerating efficiency processes and for increasing the export-oriented economic activity of the region.

The potential for improvement must be utilized in full before the 10th PZPR Congress. The PZPR KW Resolution adopted at the end of this point of the deliberations stresses this. The plenum also adopted program-organizational assumptions for preparations for the 10th Party Congress.

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BRIEFS

GOMULKA'S WIDOW HONORED--In conjunction with the edition that is underway of the collected writings of Wladyslaw Gomulka, Henryk Bednarski, PZPR CC secretary, and Wladyslaw Honkisz, chairman of the PZPR CC Team for Merited Activists of the Workers Movement Affairs, paid a visit to Gomulka's wife and faithful life comrade Zofia Gomulka, who is celebrating 65 years of activism in the revolutionary workers movement. Since her earliest years, Zofia Gomulka has been linked with the revolutionary workers movement and has been active in the ranks of the Polish Communist Party. She spent 7 years in a sanacja prison for her revolutionary activity. During Hitler's Occupation, she took an active part in the struggle as an activist in the Polish Workers Party. After the war she participated actively in rebuilding the devastated country and in preserving Poland's statehood through her work in the PPR and PZPR. This very worthy activist of the workers movement was awarded the Ludwik Warynski honorary party badge. PZPR CC First Secretary Wojciech Jaruzelski extended sincere greetings and best wishes for her good health. [Text] [Warsaw TRYBUNA LUDU in Polish 24 Jan 86 p 1] 8536

DEFENSE MINISTRY SOCIAL SCIENCE GROUP--On 23 January in Warsaw, the first plenary meetings of the new term for the MON Council for Social Science Affairs was held. The council is an advisory and opinion-rendering organ of the national defense minister for affairs of the development of the social sciences in the military, coordinating scientific research in the armed forces and dealing above all with the use of scientific achievements to improve training work in units and military institutions. Council chairman, chief of the Polish Army Main Political Directorate, Gen of Div Tadeusz Szacilo presented council members with their acts of appointment. The meeting was devoted to the role of the social sciences in developing the moral attitudes of soldiers and society. Col Prof Mieczyslaw Michalik, GZP WP deputy chief, presented a report on this subject. [Text] [Warsaw TRYBUNA LUDU in Polish 24 Jan 86 p 2] 8536

PZPR AGITPROP JOURNAL CELEBRATED--The monthly SUGESTIE is celebrating its 15th anniversary. On this occasion, employees with many years of service received state and ministerial awards. The state distinctions were awarded by PZPR CC Secretary Henryk Bednarski. Zbigniew Rossa, deputy editor-in-chief, received the Knight's Cross of the Order of the Polish Rebirth, Helena Krzymowska received the Silver Cross of Merit and Dorota Gajowiak and Tomasz Gronau were awarded the Bronze Cross of Merit. In congratulating the recipients, Henryk Bednarski emphasized the role of the complex ideological issues treated by the publication. Wojciech Rosiecki, editor-in-chief of SUGESTIE, said: "We wish to seek answers to the questions of how to propagate party ideas innovatively and how to present its goals." The SUGESTIE anniversary also was commemorated by its publisher, the "Prasa-Ksiazka-Ruch" Worker's Cooperative Publishing House. RSW Vice President Bronislaw Stepien awarded Helena Krzymowska the badge "For Service to the RSW." [By: MZ] [Text] [Warsaw TRYBUNA LUDU in Polish 24 Jan 86 p 2] 8536

MARITIME INDUSTRIES POLICY MEETING--NPSG assumptions for 1986-1990 in the field of maritime management and the program of development of the shipbuilding industry were discussed on 23 January by the Council of Ministers Planning Commission Presidium. Participants in the deliberations included: deputy member of the CC Politburo, Chairman of the PZPR CC Maritime Commission Stanislaw Bejger and PZPR KW First Secretary in Szczecin Stanislaw Miskiewicz. The deliberations were chaired by deputy premier, Chairman of the Council of Ministers Planning Commission Manfred Gorywoda. [Text] [Warsaw TRYBUNA LUDU in Polish 24 Jan 86 p 2] 8536

ENGINEERING, S&T MEETING--Representatives of the engineering profession and S&T associations met in Lodz to discuss the role and place of the engineering profession in the Polish economy. [Text] [Warsaw ZYCIE WARSZAWY in Polish 10 Feb 86 p 2] /9365

KATOWICE JOURNALISTS MEET--Katowice is the second largest journalist center in Poland after Warsaw. Representatives of senior editorial staff and basic party organizations working in the press, radio, and TV of this region met to discuss the following: opportunities for making wider use of the ideas and initiatives generated by members of the profession, fostering attitudes of a larger sense of participation, getting members of the profession more involved in general public debates on issues, and promoting a joint effort in drafting a program for the region and the nation as a whole as the campaign for the 10th Party Congress gets underway. Deputy Politburo member and PZPR Central Committee Secretary Jan Glowczyk participated in the meeting. Wieslaw Rydygier, chairman of the "Prasa-Ksiazka-Ruch" Worker's Cooperative Publishing House, was also present. [Text] [Warsaw ZYCIE WARSZAWY in Polish 10 Feb 86 p 2] /9365

FOREIGN AFFAIRS CONFERENCE--On 10 February 1986, a conference devoted to problems affecting cooperation with other countries in the areas of cultural and scientific affairs, and also in the area of information sharing, was held at the Ministry of Foreign Affairs. The undersecretaries of state of the concerned departments and institutions took part in the conference, which was chaired by candidate Politburo member, Minister of Foreign Affairs M. Orzechowski. Deputy Minister of Foreign Affairs J. Kinast outlined the tasks awaiting them in these areas, based on recent crucial foreign policy directions.

As a result of these discussions, the most important tasks affecting cooperation with other countries were identified. [Text] [Warsaw TRYBUNA LUDU in Polish 11 Feb 86 p 2]

PZPR DRAFT PROGRAM TALKS--On 10 February 1986 the party aktiv of Krakow's youngest district, Nowa Huta, discussed the PZPR draft program being prepared for the 10th Party Congress. Taking part in the discussion were Kazimierz Morawski, chairman of the PZPR Central Review Commission, and Jerzy Jaskiernia, secretary general of PRON's National Council. The meeting underscored the fact that the draft program is very ambitious but at the same time realistic. It was also noted that pre-Congress discussions provide the means to make improvements in the draft program. [Text] [Warsaw TRYBUNA LUDU in Polish 11 Feb 86 p 2] /9365

PZPR IDEOLOGICAL CONFERENCE IN PILA--A conference of the PZPR voivodship ideological aktiv in Pila opened the pre-10th Party Congress campaign in this region. Participants at the conference--which included PZPR Central Committee Secretary Henryk Bednarski--focused their attention on the problems related to the essential principles, goals, and ideological-political functions of the PZPR Draft Program and on a Marxist-Leninist analysis of the processes of building socialism. [Text] [Warsaw ZYCIE WARSZAWY in Polish 11 Feb 86 p 2] /9365

TV JOURNALISTS, SIWAK MEET--An open meeting of the basic party organization was held at the TV editorial and program office, during which Albin Siwak, PZPR Central Committee Politburo member, met with leading television journalists, both party and nonparty members. The meeting focused on the problems of upholding socialist morality, the rule of law and attitudes of party members, and also the tasks facing the party in the area of educating the nation's youth. [Text] [Warsaw TRYBUNA LUDU in Polish 12 Feb 86 p 2] /9365

SOVIET-POLISH BORDER AREA COOPERATION--On 11 February 1986, Jozef Baryla, PZPR Central Committee secretary, received a delegation of the Lithuanian Communist Party Central Committee headed by Secretary Nikolai Dybyenko. The delegation is visiting Poland on the invitation of the Suwalki PZPR Provincial Committee. They discussed the developing contacts between PZPR and CPSU party organizations, with particular attention devoted to the long-term friendship ties and traditions of the border regions. They spoke of the tasks facing their respective party organizations in preparation for the upcoming congresses of both parties. Taking part in the discussions were Ernest Kucza, director of the PZPR Central Committee Foreign Affairs Department, and Waldemar Berdyga, first secretary of the Suwalki PZPR Provincial Committee. Soviet ambassador Wladimir Browikow was also present. [Text] [Warsaw TRYBUNA LUDU in Polish 12 Feb 86 p 2] /9365

PARTY LIBRARIANS MEETING--A conference of the National Party Librarians Caucus of the PZPR Central Committee Cultural Department was held on 12 February 1986. Representatives of university, polytechnical, and other academic libraries participated in the conference. They evaluated the current state of academic libraries and ways of developing them further. The Ministry of Science and

Higher Education submitted a report which underscored the fact that academic libraries form an integral part of the academic structure on the basis of their research achievements, that they are an essential element in the national network of research libraries, and also a fundamental link in the national system of scientific, technological, and economic information. [Text] [Warsaw TRYBUNA LUDU in Polish 13 Feb 86 p 2] /9365

POLISH-BULGARIAN TALKS--The minister of foreign affairs, Professor M. Orzechowski, met with the deputy minister of foreign affairs of Bulgaria, M. Zakhareva, on 12 February 1986. On the same day, Deputy Minister of Foreign Affairs J. Kinast and Deputy Minister M. Zakhareva signed an agreement furthering cultural and scientific cooperation between the governments of Poland and Bulgaria for the period 1986-1990. Senior officials of the Departments of Culture and Art, Science and Higher Education, and Education were present at the signing, as was the Bulgarian ambassador, G. Georgiyev. M. Zakhareva met with the director of the PZPR Central Committee Department of Culture, Professor W. Nawrocki, and also with the minister of culture and art, K. Zygulski, and with the deputy minister of science and higher education, Cz. Krolikowski. [Text] [Warsaw TRYBUNA LUDU in Polish 13 Feb 86 p 2] /9365

SUPREME COURT PARTY ACTIVITIES--Jozef Baryla, PZPR Central Committee secretary, met with the senior staff and party aktiv of the Supreme Court on 12 February 1986. The secretaries of the basic party organization informed him of party activity in the Supreme Court, while Professor Wlodzimierz Berutowicz, first president, and other senior staff members provided information on the activities of the Supreme Court with respect to Court rulings, verdicts, and crime prevention and education. These activities are aimed at enhancing the protective and educational function of the law, strengthening law and order and social discipline, and consolidating positive changes and tendencies in public life. [Text] [Warsaw TRYBUNA LUDU in Polish 13 Feb 86 p 2] /9365

BLOC JOURNALISTS VISIT OLSZTYN--A group of 30 persons, consisting of press attaches from socialist-bloc embassies and of press, radio, and TV correspondents from the same countries accredited in Poland, spent some time recently in the Olsztyn voivodship. Kazimierz Kozub, secretary of the ZSL NK [United Peasants Party Chief Committee], met with the guests. The foreign visitors were briefed on recent accomplishments and structural changes in local agriculture, which were credited to the implementation of the PZPR-ZSL agricultural policy, coordinated at the joint XI Plenum of the PZPR Central Committee and the ZSL NK. The visitors were hosted by the Provincial Committee of the ZSL in Olsztyn. [Text] [Warsaw TRYBUNA LUDU in Polish 10 Feb 86 p 2] /9365

CSO: 2600/297

DELEGATION OF BRAZILIAN PARLIAMENTARIANS VISIT

Parliamentarians Arrive, Meet Giosan

AU221818 Bucharest AGERPRES in English 1721 GMT 22 Feb 86

[Text] Bucharest, 22 Feb (AGERPRES)--A Bazilian parliamentary delegation led by Jose Manoel Fontanillas Fragelli, president of the Senate and the National Congress of the Federative Republic of Brazil, arrived in Bucharest on 22 February upon the invitation of the Grand National Assembly. The delegation includes Marcondes Gadelha, Jose Ignacio Ferreira and Cid Feijo Sampaio, senators.

The guests were welcomed by Nicolae Giosan, chairman of the Grand National Assembly.

The same day, the chairman of the Grand National Assembly had an interview with the Brazilian parliamentarians.

Information was exchanged on the activity and preoccupations of the legislative fora in Romania and Brazil, and joint willingness was shown to expand cooperation between the two parliaments with a view to enhancing their contribution to the development and diversification of collaboration between the two countries and peoples.

The necessity was also stressed that the parliaments and parliamentarians all over the world should make a greater contribution to the establishment of a climate of peace, security and cooperation among all nations.

Carlos Dos Santos Veras, Brazil's ambassador to Bucharest, attended.

Radulescu, Vaduva Meet Parliamentarians

AU251936 Bucharest AGERPRES in English 1844 GMT 25 Feb 86

[Text] Bucharest, 25 Feb (AGERPRES)--Gheorghe Radulescu, vice-president of the Romanian State Council, received on 25 February the Brazilian parliamentary delegation led by Jose Manoel Fontanillas Fragelli, president of the Senate and of the National Congress of the Federative Republic of Brazil, now visiting Romania.

The Brazilian parliamentarians stressed on the occasion the high consideration enjoyed in Brazil by Romania's active foreign policy, by the activity deployed by President Nicolae Ceausescu on an international plane in view of building a world of peace, understanding and collaboration among nations. At the same time the guests expressed their admiration of the Romanian people's achievements.

During the interview that proceeded in a cordial atmosphere, emphasis was placed on the good Romanian-Brazilian relations of friendship and collaboration as well as on the possibilities at hand for their further amplification in the political, economic, technological, scientific, cultural and other domains. Current aspects of the international political life were also approached.

The same day, the Brazilian parliamentarians were received by Gheorghe Oprea, first deputy prime minister. During the talk, it was assessed that the economic potential of the two countries provided a favourable framework for the manysided development of the Romanian-Brazilian development. In this context, the measures to be taken to expand the bilateral economic collaboration and cooperation, on mutually advantageous terms, were examined. The need was stressed for concluding long-term accords and understandings to give stability and perspective to the collaboration between Romania and Brazil.

The Brazilian parliamentarians had separate interviews with Ilie Vaduva, foreign affairs minister, Vasile Pungan, minister of foreign trade and international economic cooperation, and Florea Gruia, minister secretary of state at the Ministry of Agriculture and head of State Agriculture Department.

Parliamentarians Conclude Visit

AU261848 Bucharest AGERPRES in English 1727 GMT 26 Feb 86

[Text] Bucharest, 26 Feb (AGERPRES)—On Wednesday, 26 February, the Brazilian parliamentary delegation led by Jose Manoel Fontanillas Fragelli, president of the Senate and of the National Congress of the Federative Republic of Brazil, who paid a visit to Romania at the invitation of the Grand National Assembly, left Bucharest.

In a statement made prior to his departure, Jose Manoel Fontanillas Fragelli, the head of the delegation, highlighted the deciding role of the summit dialogue in the manysided development of the Romanian-Brazilian links of friendship and collaboration. In that context, the results were underscored of the visit the president of Romania, Nicolae Ceausescu, paid to Brazil in 1975, which went down as a most significant moment in the chronicle of the relations between the two countries and peoples.

The guest also emphasized the importance of the meetings and bilateral talks for a better knowledge of the concerns of the peoples of the two countries, for the further development of the ties of productive cooperation between Romania and Brazil.

In his turn, Senator Marcondes Gadelha showed that the affinities of language and culture, the joint concerns for the stepped-up growth of the national economies were factors of rapprochement between the two peoples and favoured the development of collaboration between the two countries. He also pointed to the broad possibilities of expanding and diversifying the Romanian-Brazilian cooperation in machine building, agriculture, scientific and technological research, in culture and other areas of activity.

/9604
CSO: 2020/93

SCINTEIA REPORT ON GORBACHEV L'HUMANITE INTERVIEW

AU131053 Bucharest SCINTEIA in Romanian 11 Feb 86 p 4

[Text] Moscow, 10 Feb (AGERPRES)--In an interview granted to the newspaper L'HUMANITE, Mikhail Gorbachev, general secretary of the CPSU Central Committee stated that Soviet society had entered a new stage of its history, the essence of which is the determined acceleration of the socioeconomic and cultural development and the utilization of all the existing resources in order to attain this target.

In his answers to some questions regarding the international situation, Mikhail Gorbachev reasserted the position of the USSR regarding the American program called "star wars" and stressed the fact that such a program is based on the erroneous concept of ensuring security primarily on the basis of technological-military means. Mikhail Gorbachev stated that the Soviet Government has in mind to ensure equal security for all by reducing arms and by achieving disarmament up to the complete elimination of all types of mass destruction weapons.

Asked whether, after the Soviet-American summit meeting in Geneva, there have been any signs of a resumption of detente in international relations, the secretary general of the CPSU Central Committee said: "In my opinion, in this respect we have to be cautious in making assessments. Yes, some signs have started to appear. The issue does not regard solely and mainly some progress attained in the field of Soviet-American relations; these relations are quite limited, peripheral, and do not refer to the fundamental problems. However, some changes in the political climate can be perceived. This fact revived some countries' hopes and confidence in the possibility of resuming detente, halting the irrational arms race, and developing a normal, peaceful international cooperation. This already means something real and substantial from a political point of view."

As regards Soviet-French relations, the general secretary of the CPSU Central Committee said that there are no particular obstacles in the path of developing these relations and that lately, some achievements have been registered in this respect. At the same time--Mikhail Gorbachev said--we would like to believe that our countries will be active partners in solving such problems of historical importance as: halting the arms race, completely eliminating nuclear weapons and other types of mass destruction weapons, and preventing the manufacture of offensive space weapons.

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CSO: 2020/93

BRIEFS

DASCALESCU MESSAGE TO IRANIAN PREMIER--Constantin Dascalescu, prime minister of the government of the SR of Romania, sent a cable to Mr Hosein Musavi-Khamenei, prime minister of the Islamic Republic of Iran, on the occasion of the country's national day anniversary, in which he conveys warm greetings and best wishes to the Iranian premier. The cable also notes that the intensification of cooperation between the two governments will contribute to developing mutually advantageous cooperation between the SR of Romania and the Islamic Republic of Iran. [Text] [Bucharest SCINTEIA in Romanian 11 Feb 86 p 3] /9604

FENCING COACH DEFECTS--Berlin, 16 Feb (DPA)--Stefan Kaukler, the Romanian national women's fencing team coach, has defected to the West during the seven nations' tournament in Berlin. Dagobert Remuss, the women's fencing coach in the German Fencing League, confirmed this at the location of the event in the Ruhemann Sports Hall today. According to newspaper reports, the 45-year-old fencing champion asked for asylum at the Marienfelde transit camp. The camp authorities have not confirmed this. West German participants in the tournament said, in answer to questioning, that the coach had not appeared in the Romanian team's hotel again on Saturday. As was learned in the Sports Hall, Haukler had left his personal papers such as his visa, passport and airline tickets behind in the hotel. The Romanian delegation members, led by Aurelia Radina, the vice-president of the Romanian association, were not ready to respond to questioning today. The national coach is leaving his wife and daughter behind in his homeland. He comes from Transylvania. [Text] [Hamburg DPA in German 1043 GMT 16 Feb 86] /9604

EUROPARLIAMENT MP DENIES 'DOUBLE-AGENT' CHARGE--Paris, 12 Feb (AFP)--Gustav Pordea, an extreme-right MP in the European Parliament who has been accused of spying for Romania, today denied a report in a Paris newspaper that he is a double agent working for French counter-espionage. Mr Pordea, speaking in Brussels, called the report, which appeared in today's issue of the daily LIBERATION, an "absurdity." He has consulted his lawyer. The report, one month before the French legislative elections, revived allegations about the former Romanian diplomat who won his Europarliament seat as a candidate with Jean-Marie Le Pen's National Front in June 1984. Mr Pordea, aged 69, sought refuge in France in 1948 and is now naturalised. Asked about the possibility that the press accusations might result in his European mandate being invalidated, Mr Pordea replied that no proceedings had been taken against him at Strasbourg, but that a parliamentary committee would study his case at its next session, scheduled for Monday. [Excerpts] [Paris AFP in English 1650 GMT 12 Feb 86] /9604

CSO: 2020/93

WRITER ACCUSED OF CHAUVINISM ANSWERS CRITICS

Belgrade NOVE OMLADINSKE NOVINE in Serbo-Croatian 10 Nov 85 pp 7-11

[Interview with writer Brana Crncevic by Slavisa Lekic: "I Am Not a Nationalist, I Am Only National"]

[Text] "Any real personality has something unexpected and irregular in the proportions of his life and appearance. That is also the case in regard to him and with him. He has a black, dark surname ["CRN" in Serbo-Croatian means "black" -- a pun on Crncevic], but he is improbably and almost impermissibly blond. He is a Sremian by spirit and mentality, but a good half of him is Montenegrin. He was not born where his books and his literary birth certificate would suggest, in his native Ruma, but rather by chance, as if in passing, in the Banat Slovak village of Kovacica. He is hot-tempered and sharp-tongued, and can even be wicked and malicious, but he has a merry face and has two incomprehensibly round eyes that rejoice in the entire world and most of all in themselves. He combines the uncombinable: he is not serious about being a serious pessimistic optimist. He is simultaneously in love with dangerous and comfortable speech, with bachelors' jokes and the severity of aphorisms, and with crazy playfulness and bitter reproachful thoughtfulness. He writes easily and is carelessly scattered throughout newspapers and magazines, but in thought and expression he is a heavy-weight boxer with a good straight punch -- Brana Crncevic."

That is exactly how Borislav Mihailovic Mihiz, in his afterword to "Dreams Without Interpretations," Crncevic's just published book, "illustrated" this "lyric poet of our bitterness," "the tender modernizer of our poems for children," "a witty talkative chatterbox," "an epigrammist of the highest world rank," and his "friend of so many nighttime wanderings"... One could not look for a better introduction to an interview with one of the leading Serbian satirists, and at this time certainly the most widely read worker of Gutenberg's branch in Yugoslavia... And as far as a reason is concerned, there really are several of them: eight published books, several television plays and two theatrical ones, and 30 years of "involvement" with JEZ, POLITIKA, NIN, and DUGA, from which he was "fired and expelled more than once... and furthermore serving as a suitable 'teaching aid' so that new cadres could avoid their future" (Mihiz again).

"I have often been accused, and even today I am being accused of and abused for writing sometimes benignly and sometimes dangerously, for writing between the lines, on the left or on the right... I have not been attacked much, however, mostly because I write without hatred, which in practice means that I will not recruit a reader to hate someone along with me, but rather to become minority with me... In the second place, I rarely name a person. As the communists would say, I, like them, name a phenomenon, which is very important, because none of these people will be enough of an idiot to recognize himself and race around the city wailing that he is the one I am aiming at. This way they divide it up fraternally, and I will not let them catch me. I simply do not put myself in such a position, and they leave me in peace as long as they do, and when they need to, then they do not leave me in peace again.

Sometimes Great, Sometimes Barren

[Question] Nevertheless, you have often been in the situation of defending yourself from the "defenders of socialism."

[Answer] Starting somewhere around 1956, I worked for all of 15 years for JEZ, sometimes a little newspaper, sometimes a great one, sometimes barren, sometimes combative.. During the period from 1968 to 1972, which is considered JEZ's most significant period because of its reputation and circulation, I also acted as a sort of leader at that JEZ... It was a time of a great journalistic flourishing, a time of freedoms and quasifreedoms, real and false sharpness, conflicts between left-wingers and right-wingers, and a manifestation of national interests for the first time since the war. Accepting the themes of the times, themes that were dictated, not by the authorities or by the opposition but by the people's main intelligentsia, we really had the most devoted readers then... Karadjordjevo came, though, and soon there was a meeting at which the Belgrade, i.e. Serbian, liberals wre condemned, and it ended there... There was nothing left for me then but to take the doorknob in my hand and go out into the street...

[Question] Why did JEZ suffer?

[Answer] Actually, JEZ did not suffer anything in particular. In those years it was one of the few newspapers that accepted the struggle against the Croatian TJEDNIK and VUS, and it was the national counterpart to the Maspok. We took turns banishing each other... After the condemnation of the Serbian liberals, as opposed to the Maspok members, it was demanded that we admit that during that period JEZ was objectively a nationalist newspaper! Others admitted this; I did not. Others stayed there, and I did not! I left voluntarily, so I gave them a refusal because I knew that a time was coming, a time of people's self-humiliation, a time of renunciation, a time when people would say both what they thought and what they did not think, and I simply did not want to participate in that! I did not want to work for the kind of newspaper that it had to be in those years, and later they published some sort of announcement, I think it was from some party meeting, that in the future they would not print anything from nationalists, even if their names were Brana Crncevic and Matija Beckovic. I stopped getting that newspaper then, and I have not seen a single copy of it since.

[Question] Even today JEZ has not recovered its former glory; on the contrary, in view of its editorial concept, it is becoming more and more inclined toward the sterile cultural influence of the other humorist-satirical newspapers!

[Answer] Since I do not read that newspaper, I cannot judge the present generation of the people at JEZ, but I believe that they are doing the only thing that can be done at this time... With the exception of JEZ during those 3-4 years, and without any exception for other newspapers, I consider newspaper satire to be absolutely state-oriented. I do not have too much faith in the possibility of satire in socialist countries. I believe that it exists, that it is possible, that it goes in impulses and waves'; I believe that it has a sort of trivial, small effectiveness... At the present time the newspapers do not need satire, since it requires feuilleton handling, or some other form...

Today all the other news is more important than the jokes that you can make... A rape here, trains being stoned there, in the middle of the Assembly a delegate says that in the party's view enemies were speaking nine years ago, people talk exclusively about prices and difficulties... A joke is no longer a medicine here; it ceases to have a function, since the times are like this...

Time for Jokes

[Question] People say that it is difficult times that produce jokes!

[Answer] No, difficult times kill jokes, while vaudeville times, which is what they were until recently, produce good jokes. The best jokes are produced when freedoms pervade and surpass each other. This is why JEZ had that glorious period after 1968, because as its counterpart it had the Zagreb Maspok euphoria that automatically created room for a combative JEZ. At this time there is no chance for newspaper satire, since even statements by officials surpass it in their ingenuity.

[Question] Nevertheless, the last two "journalistic" October prizes in Belgrade were awarded to two satirists!

[Answer] These prizes are fair, but they are also a little funny. It means that the time has come to prove that we have that which we do not have. Time shows that we have paid attention to humor and satire because it is what we are said to need. It is what we do not need today, however. Among us, an ordinary cafe joke looks for a home in the newspapers, and lives there. Like the word nationalist, we take the word satire to mean the wrong things, absolutely the wrong things. This word does not mean a book, it does not mean a great satirical effort to say something about our times, and it does not mean organized thought, but rather literally a joke or an aphorism. It is being forced, however, and this is not serious work and it is what has given an awful lot of help to the impression of freedoms that actually did not exist. I cannot be repentant enough that by editing JEZ I contributed to the creation of a terrible impression that 1971 was freer than 1970 and less free than 1974, for instance.

[Question] Pjer Krizanic was an advocate of the theory that "there is no humor or satire when you agree with your government."

[Answer] I did not have any opportunity to be involved in a serious conflict with the government because I worked for newspapers that agreed with the government, since any disagreement with the government or one of its decisions was a real accomplishment. It is not a question of agreeing or disagreeing with the government; it is a question of thinking differently and proving that you have a right to think differently. Not in everything, of course, but in certain things that cause you confusion as a writer and a person, regardless of whether these are issues from the national, state, or ideological realms. Thinking differently is an ancient human right, and respect for someone else's opinions, even when that person thinks differently, is more or less the basis, beginning, or center of every serious democracy. We have had great difficulties on this level, on this human level, on the level of these different views. I am from the postwar generation that did not remember much of the SKOJ, and I recall that even then, thinking the same way was the greatest pleasure of idiots. I think that we nevertheless crossed that road, and not just in literature, but also in politics. Thinking differently, of course, is not safe, since thinking differently does not mean that those who think the same way, and who think that they are the majority even when they are the minority, will not punish, overlook, and insult you, and that the air will not become thinner for you... Thinking differently does not even mean being inclined toward opposition; it simply means thinking differently. In this regard, we have had interesting and significant writers who adopted this right, enthroned it, and still adhere to it...

Against Oneself

[Question] Have you often "thought differently"?

[Answer] I never had any major, serious conflicts that ended in my wailing and lamenting, or in great attacks and protests. Several times, you might say, I was quietly fired and brought back. My entire relationship with the state, however, is only rebellious in my writing. I calculated that I have been expelled from television six times, and brought back the same number of times, mostly by the same people. They expel people when such a time comes for them, when they are told that there are a lot of people who are not liked, and then they bring them back... I am not angry... I even understand them, since in certain situations even they are completely helpless. When the authorities are against a poem, a play, or a writer, this is part of the nature of the business of the authorities; it has always happened and it always will happen. The real problems are not when they are against you, but rather when they demand that you be against yourself and against those who support you. This collaboration is terribly painful... For instance, it happened to me once that after the opening of the comedy "Kafanica, sudnica, ludnica" at Studio 212, some serious people called and asked me to be understanding because of their difficulties, since a couple of people at the top, also serious, were against this play, and so it would be a good idea for me to disassociate myself from it and publicly attack my director, Ljubomir Draskic, in the newspapers for misunderstanding the script. Naturally, and fortunately, I did not do this, since it was equivalent to idiocy and suicide, both the suggestion and compliance with the suggestion... The play was performed more than 200 times.

[Question] Another of your comedies, "Zorzevi i zorzete," was written back in 1972, and has still not been performed anywhere.

[Answer] I wrote "Zorzevi i zorzete" after my departure from JEZ, i.e., when I had been out of work for a year, separated from the newspapers and current politics, without any self-censorship framework as in the newspapers, and I wrote this drawing-room comedy as I saw fit... It was a piece about 1968, but not particularly pretentious about anything. It was about a conflict between parents and children, and in translation, about a conflict between the authorities and the children who wanted to go out into the street... This seemed terribly dangerous to them, however; it was something that allegedly would destroy the foundations of society, and so the first time, at the Studio, it was cancelled by some ideological department of the City Committee. I was not angry at my friends at the Studio, and I even celebrated the cancellation with them. They were in a bureaucratic position, and I was in a free one. After two years, the Studio called me again, the rehearsals began, and again the same department cancelled the performance. We also tried later with the scene on Terazije, and I personally hired the actors, like Ljuba Tadic and the late Aligrudic. The performance was cancelled again, but this time with the explanation that it was being "preserved." And the fourth time, when the comedy came to the Studio's stage, the performance began to be followed by bad luck. First Soja Jovanovic broke her leg, and then Zoran Radmilovic, that splendid person, was no longer able to act, because he was literally dying on his feet... Naturally, I could not reproach him; we agreed that the play was not going well and we drank a glass or so... I was prevented by people, and he was prevented by God... He is in a worse position, however.

[Question] How did those quiet firings and expulsions from the editorial board "happen"?

[Answer] You see, there were several versions, mostly funny... For instance, POLTIKA, which I wrote for even before JEZ, remembered me at one time (and also helped me), and I was supposed to write some children's poem for some school page; and this was after a long time. And that poem reached the collegium at the POLITIKA house. One of those wise men, in reading the poem, combined his fear of the times, his age, and some misfortune of his own, and since at POLITIKA he shared responsibility with some fate of mine that was not clear to him, he decided that I should take a little vacation, and so I rested for another year... At the collegium, the poem was declared to be Stalinist, because it mentioned some man with a mustache behind a corner. Afterwards the same man approached me on the street to explain his fears to me, and as usual I was understanding. I couldn't tell them anything... They are all members of one people, absolutely amazingly arranged and divided, and they even say sincerely that they are not against me, and it is rather the times that are dictating such things. I really experience them that way...

I Do Not Fight With Ladies

[Question] After a long time, you were sharply attacked again in a newspaper a few days ago, and declared a Serbian nationalist.

[Answer] I spoke at the unveiling of the bust of Dusko Radovic, and a day or two after that VECERNJE NOVOSTI responded. The text exists, I read it, and it is not nationalistic at all, but it is to some extent national. Since we tend to confuse these two terms, and since nationalist is a pejorative word to us, I use the word national a little instead of it.... I was urged to write to NOVOSTI, but since I write letters reluctantly, and then only when I am forced, and then I write in a group along with several "enemies," and since I learned that the initials V. Sl. concealed a lady, I refrained. As a rule, I rarely fight with ladies, and I prefer to buy them drinks. In the second place, the lady did not understand what I said there at all. I said that I was glad that Dusko Radovic had consented to pose for a bust, since he was otherwise shy and it did not resemble him; and I said that it was good that he had agreed to be a monument at a time when Serbian monuments were often desecrated. I do not know why NOVOSTI took this as an abuse of Dusko's death. There is even one part that made me laugh: the lady at NOVOSTI literally says that I stated that "Dusko Radovic was a Serbian genius," which I will also tell you, and which is not anything particularly daring, and which Dusko knew better than any of all those people who wept for him without any reason, and who considered him great because we said that he was great, since they had never read his works. The lady used this and one sentence that betrays her, that really betrays her position: "Dusko Radovic is not just a Serbian genius, since if he were Serbian he would not have been anyone's." This really entertained me so much that I did not even want to respond to her because of this, since this fits in with my assertion that sometimes Serbian geniuses are not anyone's.

Change in Enemies

[Question] Nationalisms were sometimes positive, and had more than a positive historical role, but today nationalism has been named a cancer of fraternity-unity, the system and society.

[Answer] That is because we wanted it that way... No one urged us to have it that way, no one forced us... I recall, for instance, the period from 1956 to 1958, a time of so-called absolute fraternity-unity, workers' councils and self-management. The Chetniks, the Ustase, the White Guard, the Ballists, Ljotic's followers, and all of those foreign groups defeated in the war did not represent any danger at all anywhere, especially not in the newspapers. It was a time when internal party conflicts, Informburoists, and bureaucrats were much more dangerous, and when there was a weakening of the state mechanism, which was absolutely organized, and a Marxist weakening, a hunt began for enemies, and moreover reciprocal enemies. Now, obviously, a time is coming in which, in accordance with the Zagreb "White Book" and in general with the theories of the weakening of the state, the political leaderships of our six republic parties and the two provincial ones will offer each other a certain number of enemies. We have an unbelievably funny situation in which you can no longer be exceptional and believe that you can be pure in the national or Yugoslav sense of the word... If Ustase appear somewhere, Chetniks "must" also appear; if the Chetniks appear, then what about the White Guard? And, I ask you, if the White Guard appears, then what is to be done with Ljotic's [Dimitrije Ljotic was the leader of the "ZBOR" organization,a rightist group, in Serbia] ideological nest? It is a rule that if something happens in Zagreb, Ljubljana, Pristina, or somewhere else, "something" "must" also happen in Belgrade, and absolutely nothing will help here, since there must be some measure of enemies that is constantly coordinated!

[Question] Belgrade is being associated more and more with the pretensions of the Greater-Serbian bourgeoisie.

[Answer] Belgrade, as the former capital, the place from which the Greater-Serbian bourgeoisie harshly ruled, has the unfortunate circumstance of always having been the target of all those who consider Belgrade or Yugoslavia or that notorious centralism to be open to question... It seems that before the war only the Serbs had a bourgeoisie! If this has to do with one king, who was after all killed, and another king, who after all fled, and if they can be associated with old Yugoslavia, how can one make the same association for these Serbs, these new Serbs (like new dinars), who were born after the war and who do not even remember that recent bourgeoisie. This whole theory about the Greater-Serbian bourgeoisie, about Slobodan Jovanovic, about the danger of the slogan "Serbs, assemble," is in my opinion purely frankovacka [an example of Croatian chauvinism], at least in literary terms. Josip Vidmar, for instance, in my newspaper, DUGA, calmly said that it is by chance that Slovenia is in Yugoslavia, which is a creation of the Serbs and Croatians, and that the Slovenes both are and are not there! And now, since the old man was a fighter and a communist, someone will dismiss him because of his age, someone because of his years, someone will attack him, someone will not... It will still be considered that the Slovenes are interested in Yugoslavia as much as they are interested. The same thing can be ascribed to the Croatians and Macedonians and Albanians and everyone... The Serbs are the only ones laboring under the terrible accusation that the others are interested in Yugoslavia for rational reasons, and that the Serbs are in love with it and that without it they would be no one and nothing. Others are attributed with understanding of the Yugoslav creation, a critical attitude toward it, a desire for it to be better, while the Serbs are believed to want Yugoslavia just as it is at any cost, and to want to have the leading role in it always, although the times are severely refuting this... I have not seen the Serbs exercize a leading role in Yugoslavia since I was born. The worst thing in all of this is that the theory according to which the Serbs play gendarmes and force the rest to be Yugoslavs also has adherents among Serbs. I was sincerely delighted by the statement by Slobodan Milosevic in the City Committee -- and it was apparently very serious -- that the Serbian party and the Serbian people no longer have any reasons or motives to keep paying and paying for the mistakes of the Greater-Serbian bourgeoisie. This amazing penance really does make me angry. How long will a people have to pay the price for a drink in which it did not participate, a drink regarding which it does not even know what it was like? What if it was lemonade, and not some bitter drink, as the historians and literature want to claim? And why does it bother someone if I claim that I am a Serbian writer? There will always be ten idiots who think that this is terribly harmful to everyone else, and there will always be newspapers that want to think that by calling Dusko Radovic a Serbian writer, I want to use the late Dusko to destroy Yugoslavia.

A Person Wants to Be Gloomy

[Question] The politicization of literature and writers' struggle for a national language and culture are being identified more and more often with nationalism. Why do these conflict situations occur?

[Answer] There are different writers! There are great national writers who are always attacked ideologically for few or no reasons, and there are minor national writers who experienced the vaudeville period and are rushing to throw out as many national books as possible, as soon as possible. Some usable stupidity will be found, some stupid story or book, that can serve as the culminating proof for those who are uninformed and who are yelling at the top of their voices about nationalism penetrating literature. But there are amazing things... The novel by Boba Selenic, which was recently attacked by POLITIKA's increasingly more surprising cultural column and the increasingly more surprising Milos Bandic, is neither terrible, nor nationalistic, nor petty-bourgeois... It is a novel in which Boba Selenic tries through stream of consciousness to resolve some problems, some distances in time. According to Bandic, Selenic's main fault is that the hero of the book knows Slobodan Jovanovic and trusts Jovanovic a great deal. But who is this Slobodan Jovanovic that he can have such a critical influence on trends in Serbian criticism? But someone mentions him in the book, someone quotes him, and a rebellion occurs, virtually a fear of the defeat of the ideological and other forces... It turns out that Slobodan Jovanovic is one of the great national leaders of the Serbs of the present time, but the man does not have the status of citizenship here. I really do not know why there is such fear, and what point there is to these attacks upon a writer like Selenic. It is a disservice both to Serbia as a creation, to the Serbian party as a party, and to the Serbian people as a whole. Invented enemies, if they are persistently invented, can become realities in people's consciousness, and the influence that the state does not advocate can easily be extended. An attack upon a writer or upon writers must be absolutely high, esthetically literary, scientifically demonstrable, and thus above all competent...

[Question] Do you think that Milos Bandic is incompetent?

[Answer] Well, no, I don't... Bandic is quite competent; he is something quite different. He put his competence at the service of some sort of -- I do not like this kind of expression -- gloom. If a person wants to be gloomy, he succeeds... Well, let him, but I am surprised by POLITIKA, which is slowly taking over all the attacks, engaging in a struggle without checking, without 2-3 critics, without opposing views, without studies, without any right to think differently, which had not been the case from the origin of POLITIKA to the present day, until this past year... How is it that they only settle accounts wth people?

[Question] POLITIKA was also the first one to rise up against Momo Kapor, without checking the facts.

[Answer] The "Kapor incident" arose as early as the appearance of the "White Book," which was perceived here in Belgrade, although it was not published, as a jesuitical police list of possible enemies in Belgrade (mostly). It is one of a group of attempts to prove that Belgrade is an underground in which various renegades are gathered, who are involved in anti-Communist and nationalistic philosophy and literature, and the creators of that list and the members of the same ultra-leftist left-wing faction never renounced it. It is in a steel safe, but it must be proven somehow that it was drawn up for absolutely valid and major reasons, and that Belgrade is a permanently hostile city. It cannot be proven who it is hostile to or why, but the fact is that such a theory is current. And look at what is happening: because of the strength of such repeated attacks, the people who run Belgrade have to meet such demands halfway. That was also the case with Kapor. He had already criticized the authorities once, if I may not seek some milder expression, and now when the news came that he had spoken in Ontario, Moma appeared to that Salih Zvizdic, or to some higher authorities, as Moma obsessively thinks, to be a good example of how Belgrade is nourishing every sort of flower of evil, since he, after all like me, was one of the 87 people on that dark Zagreb list. Above all, Kapor is not a person who becomes involved in incidents; he is a writer in a light genre and a feuilletonist who would not sell himself there for anything, a person who probably made fun of them in his statements, and a person who is not enough of an idiot to commit a series of stupidities against things that he personally believes in, and to serve things in which he personally does not believe. The real question, however, is why this was published first of all in VJESNIK, and why an effort was made to use Kapor to prove that Serbian nationalism is more dangerous than it actually is at this time.

Tendency Toward Dramatization

[Question] Do you think that the incident has been dramatized too much?

[Answer] Too much! We at DUGA, for instance, had terrible problems in connection with Kapor. We let him explain himself, without questions, and thus come forward himself with his arguments... On Tuesday, a day or two before the publication of that issue, there were unbelievable interventions, gloomy and impermissible, and even directives to stop the issue. When the article was published, however, it turned out that there was nothing terrible in it, that his defense mechanism was self-confident, and that nothing terrible happened over there in Canada. But this demonstrated our tendency to dramatize everything; it showed this surprising habit of ours, and proved the existence of an established theory about the index of names. It was nevertheless a good sacrifice gambit in which the hunters who caught Kapor were caught themselves. In this regard the matter is now quieting down -- OK, if not Kapor, we will find some other Chetnik if we need one.

In any case, we are the world's masters of dramatization, even of what is absolutely unnecessary... In our books, people are killed again exclusively out of fear that they might be killed again, the dead are resurrected, truths are verified because they were not written down in time and because they were proscribed... A book by a good writer like Dobrica Cosic is published, and then we dramatize it so much that it reaches a point where the people, when "Kolubarska bitka" appears in the kind of situation caused by this dramatization, go there not because of the performance, but for the sake of the old Serbian uniforms... The actor didn't have to say anything; it was enough for him to wear the uniform of Commander-in-Chief Misic to get applause. That is that; this hysterically national time fits in with the hysterical needs for all freedoms, freedoms within the party, within the state, within the parliament, literature, sports...

[Question] In spite of the increasingly more significant political maturity of at least the younger generation, the democratic dialogue, and the increasingly greater tolerance, the issue of freedoms is being raised more and more often -- especially the freedom of creativity!

[Answer] A time has come in which no one knows any longer who is more capable than whom... We are so free that it is already a real insane asylum! We are either insane or free, since there is no one today who would do this to someone else... One should not forget, however, that we are a country that has adopted some sort of socialism, which won in our country through trends of some other type... The principle of the liberation of prose and poetry has lasted among us for a fairly long time, and that is why we now have all these disagreements and screaming and shouting. Those canons lasted for a long time, and now, when a book appears in which the writer questions something, instead of our reading this book in a literary manner, we shriek at the top of our voices, on all sides: this is about politics, and this destroys the foundations of the system, haven't we agreed on who won and how, and so forth... Even in terminology, literature was late in being liberated in our country, since for a long time we spoke, thought, and wrote in the language brought by self-management, in which every word was put in quotation marks. First you swear that you like this, and that you hate this, and then you attack this. These freedoms came to us fairly late and in a fairly tumultuous way, and consequently today we have freedom without accompanying criticism, or with accompanying criticism if it is negative... This freedom of ours is mostly infantile, and it acts that way... Doubts are not spoken now when everyone doubts; they are spoken in time and when everything that happens happens so suddenly and in such a confused manner that there is no longer a philosopher or scholar who can separate the real from the unreal...

[Question] These freedoms are often closely linked to the abilities of the journalist or writer!

[Answer] Freedom itself is the affair of authors... You can write for yourself, your soul, for the drawer... This freedom cannot be taken away from you, but when it comes out, then complications arise, since the question comes up of whether this freedom infringes upon some other freedoms. For instance, my own DUGA did not dare to publish an absolutely conciliatory joke of mine in this Serbian situation. But it is a natural statement that is derived from all of these polemics and discussions: "In the last war the Serbs had the most Chetniks and Partisans, and in that sense the Serbs were the ones who lost the war the most and won it the most." I really do not understand this country anymore when it comes to the national question. I understand the Serbs least of all; it is as though something atavistic came back to them, as though they masochistically enjoyed their own persecution (I am thinking, for instance, about Kosovo, especially the writers and their appeal there). They turn this into statements like the one I just made, for instance, into letters, literature, mourning, theater, without any other actions... I am not thinking about violence -- let us understand each other -- but all of this is taking place without any real protests... This is the unbelievable misfortune of the Serbian people, and thus today it is wonderful to be a Serb.

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East Europe Report

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ECONOMY GERMAN DEMOCRATIC REPUBLIC

TECHNOLOGICAL PROGRESS REQUIRED TO OFFSET HIGH ENERGY COST

East Berlin WIRTSCHAFTSWISSENSCHAFT in German Vol 34 No 1, Jan 1986 pp 32-50

[Article by Dr of Economics Gerd Schirmer, certified engineer, born 1932, deputy branch director at the Central Institute for Economic Sciences; GDR Academy of Sciences. Original title: "Economic Problems of Saving Energy, Raw Materials and Materials under the Conditions of Intensively Expanded Reproduction"]

[Text] Economizing in the use of energy carriers, raw materials and materials is a decisive criterion in comprehensive intensively expanded reproduction. An improved economizing for the objects of labor that represent a high proportion of the running production expenditures for bringing out the economic end product reflects the increasing economic efficacy of scientific-technological progress. That decreases the proportion of embodied labor in overall production both in terms of the objects of labor and the consumption of the means of labor. "The proportion of value derived from raw materials and semifabricates has to decline when labor productivity is boosted because this productivity relative to those materials simply is being revealed by their value reduction."[1] For our future economic development "the salient point is to ensure economic growth permanently through comprehensive intensification. That calls for setting high aims for boosting labor productivity and calls for further reducing production consumption."[2]

Savings in energy, raw materials and material do, however, not bring about reductions in production consumption at an equal measure. It contains still other cost components which in their entirety are greatly influenced by the social division of labor. New levels in the socialization of production and labor also and new forms of the social division of labor must thus help reduce the overall specific production consumption.

"From the growth-promoting function of the saving of energy, raw materials and materials a number of basic problems and issues in reproduction theory are derived,"[3] which are addressed by the considerations that follow. Significant connections are brought out with reference to energy. Rapid and deep changes in the reproduction conditions exercise special effects on economic growth. Stimulating the growth process through rational energy use thus is of fundamental importance for the transition to comprehensive intensification.

On the Effect of Saving Energy, Raw Materials and Material in the Economic Reproduction Process

An important criterion of intensively expanded reproduction is the reduction of the ratio between the expenditure in live and embodied labor and the economic outcome, expressed in produced national income. "Saving live labor and material, making a better use of available fixed assets and investments--that together only gets us what we need. The point always is the total economic outcome in proportion to total resource expenditures. Our production growth will in the future depend mostly on efficiency improvements. Thus the output must rise faster than the expenditure in embodied and live labor."[4]

The ultimate aim of socialist production is an ever better need satisfaction of all society. That implies meeting the needs in energy carriers, raw materials and materials for it, and this in such a way that need satisfaction is achieved as "a definite result by means of the lowest costs."[5] The key for it "lies not mainly in broadening the raw material base, but mainly in its ever more rational utilization."[6]

This entails complicated and, in part, contradictory processes. As Marx observed, "with the scale of production and the increased productive force of labor, through cooperation, division, machinery and so forth, there also grows the mass of raw materials, semifabricates, and so forth that enters into the everyday reproduction process."[7] One can, to be sure, not derive from that remark any proportionality between production and labor productivity and energy, raw material and material consumption, as if they were to show identical growth rates or their growth rates were to be governed by a definite ratio. Whereas primarily in the capitalist industrial countries the growth rates of production and primary energy consumption still came to a ratio of circa 1:1 up to the late 1970's, in the GDR primary energy consumption was much slower than the produced national income ever since the early 1960's. This reflects the results of an effective use of nature as a resource and of resources-saving production. To the extent that science and technology become production-effective, the consumption of energy, raw materials and material grows more slowly than production and may at times even decline absolutely. That is primarily the case when extensive tendencies in preceding reproduction and production cycles are replaced by intensive ones.

These savings in energy, raw materials and material compared with the produced national income growth decisively determine now and in the future the dynamics in the economic growth of the GDR. This pertains not only to releasing these resources in their material-substantive form, but also to the relative or even absolute reduction in running production costs, i.e. the release of operational expenditures. "By releasing capital," Marx remarked, "we mean that some of the total product which previously had to be turned back into constant or variable capital becomes available and surplus if production is to continue within the frameworks of the old scales."[8] If production, however, is to proceed on a higher scale and be intensively expanded, the available resources, due to their productive reusability, become a source of economic growth. "This qualitative growth takes full effect when transformed into quantitative growth. The point then is not only reducing production consumption and saving working hours, but also to release potentials and means this way that would ensure dynamic growth."[9]

The releasing of energy carriers, raw materials and material from the preceding production and reproduction process for the subsequent one at a higher scale is, at comprehensive intensification, no longer comparable to the scale of previous reproduction periods. That is why opinions that confine themselves to assuming that a better use made of raw material had always been the concern of technical improvements or new technologies miss the qualitatively new science and technology requirements. That can bring it about that priorities for scientific-technological developments decisive for a higher economy of the running expenses for embodied labor are underestimated and problems in savings and their reproductive effects are not recognized early enough. This might bring it about that the scientific-technological progress may indeed release resources which then, however, are not converted into growth, not realized in the sense of improved need satisfaction.

In drawing on the experiences with intensification, Erich Honecker at the seventh SED Central Committee session remarked "that it is possible for us over a longer period to increase production and national income while reducing the consumption of energy, raw materials and material in absolute figures."[10] From this it can be derived that the proportion of saving these production elements in economic growth not only has to increase, but even predominate, compared to an expansion of them, and help make intensification comprehensive.

That precisely does not make it very sensible to look at the rational use of these elements, let alone at economizing in them, solely as physical units, detached from the economic effect of manpower and working tools. It is equally inadmissible to judge energy saving apart from cost trends in other labor objects because that might ignore substitutions within labor objects that might have been triggered by the savings in one resource. Only through interdependence among all production elements is economic efficiency enhanced and is the needed contribution to economic growth achieved by saving energy, raw materials and material. That in turn is the precondition for "permanently, replicably, and irreversibly reducing the running costs in live and embodied labor that is required for the future production growth."[11]

In view of the high costs of social labor and the price hikes for raw materials, especially energy raw materials, since the early 1970's, the dominance of energy saving over making more energy available receives a crucial importance.[12] That not only put a brake on a higher physical energy consumption, it also reduced the increase of energy expenditure. Thus the rational energy use has an impact on the growth ratio between production consumption and produced national income in favor of the produced national income.

Energy saving as the outcome of a rational energy use throughout the whole chain from producing primary energy carriers, their conversion and refinement, all the way to the use of energy in production and consumption reflects the reduction both of the physical consumption of energy and of the energy costs. We speak of energy saving when energy growth goes more slowly than does the produced national income and this tendency then improves economic efficiency, which presupposes linking the energy savings in volumes with reducing specific energy costs and keeping the social labor expenditure for energy savings down below that for an additional allocation of an identical energy volume. That way alone can energy saving contribute to reducing the socially necessary labor expenditures for producing the economic end product, thereby fulfil its function in terms of intensively expanded reproduction, become an economic growth source, and create the prerequisites for its reproduction.

Yet the energy saving chain starts with the saving of resources.[13] It releases live and embodied labor that would otherwise be needed for allocating extra energy carriers and for measures in environmental production. Saving thus is more than just saving energy in physical units. It amounts to saving of social labor and, hence, of working hours that can then be redistributed over other sectors and branches for improving need satisfaction in terms of the economic strategy. The "real economy" of this processes does not show until working hours are saved through saving material resources.[14] That mobilizes the capacities needed to transform the saving of physical resources into economic growth.

The socializing effect of saving is seen in the diversely interlinking processes. While already the allocation of these resources suggested a high degree of social division of labor among the sectors carrying out the chief process with the preparatory sectors such as machine building and transportation, the strategic conception for turning savings into the predominant element in meeting demands for circulating funds and thus deriving the major portion of economic growth from it connects the saving with all the sectors and phases of the social reproduction process.

It takes socialist property relations, for all that, to convert saving into social progress. "Capitalism, in contrast to socialism, cannot convert scientific-technological progress into values for men because of the property relations in private capitalist appropriation, its maximizing of profits."[15] Based on socialist property relations, energy, raw materials, and material are used for the sake of social interests. That then also provides socialism with more opportunities and more leeway for using the complementary function of saving and additional allocation of resources for a better need satisfaction of society, it being integrated in a concept for social progress.[16]

By using the advantages of the socialist production relations new economizing potentials are seen and become subject to long-term planning. The saving of energy, raw materials, and material on the production and consumption levels, including the reuse of their waste-products as secondary energy and secondary raw materials and their recycling into new production elements, not only alters the social division of labor but, with it, the resorting to social labor in the investment, basic assets, material, and labor-intensive initial stages in allocating circulating funds.

Moreover, the saving of energy, raw materials, and material simultaneously creates better conditions for the reproduction of nature as a source of social wealth. This not only cuts back the infringements on nature for gaining extra raw materials, resources also are set aside for future reproduction periods where they then will achieve higher growth effects through more effective technologies. Also reduced are environmental stress from noxious substances from raw material refining and from higher labor efforts to prevent and eliminate environmental damage. The saving of energy, raw materials and material thus becomes "a crucial condition for an ever better protection of nature and its resources."[17] That also turns resources-saving growth into the most effective environmental protection.

Marx made a highly relevant remark in this connection to the effect that it is by no means the same thing "whether I produce (1) with half as much live and embodied labor as much of a product as before or (2) with the same amount of labor twice as much as before. In the former instance, labor--in live and embodied form--is released that can then be used elsewhere." Yet this release of labor constitutes an "augmentation of wealth" and "has quite the same effect as if such excess capital had been achieved through accumulation, while it saves the labor for accumulation."[18] However, not until by saved resources existing needs are better or new needs are altogether, satisfied, such saving reinforces the process of intensively expanded reproduction and thus meets its socioeconomic goal. To that end it is necessary to link the scientific-technological efforts to release resources with those toward creating favorable conditions for their reuse. This calls for a long-term implementation of the social labor redistribution to convert savings into economic growth and reduce the socially necessary labor costs for providing the economic end product. Therefore one must complement the saving computations in terms of natural units by economic cost/benefit evaluations.

Savings fulfil their function as growth source when they hold back production consumption vis-a-vis the produced national income, ease the economic investment and accumulation capacity, and improve economic efficiency. The growth rates in Tables 1 and 2 show the dynamics in this process. It is mainly reflected by the high reduction rates in the intensity of production and primary energy consumption and of the specific consumption of economically significant energy carriers, raw materials, and materials.

Table 1: Average Annual Growth of Significant Economic Parameters (Percentage)

	1965/1960	1970/1965	1975/1970	1980/1975	1984/1980	1980/1960
Produced National Income	3.5	5.2	5.4	4.1	4.4	4.6
Production Consumption	6.0	6.4	5.8	4.4	1.6	5.6
Primary Energy Consumption (in volume)	3.2	1.7	1.6	1.7	0.3	2.0
Intensity[a]						
--Production Consumption	+2.4	+1.1	+0.4	+0.3	-2.6	+1.0
--Primary Energy Consumption	-0.3	-3.3	-3.6	-3.2	-4.0	-2.4
Consumption of Economically Significant Energy Carriers, Raw Materials, and Materials per M 1,000 of Industrial Commodity Production[b]			-2.7	-4.0	-6.2	-3.4

---

a)=Ratio Between Production or Primary Energy Consumption and Produced National Income.

b)=1970=100.

Source: "Statistisches Jahrbuch der DDR 1984," Staatsverlag der DDR, Berlin, 1984, pp 13, 151; "Statistisches Taschenuch der DDR 1985," same publisher, pp 25, 54, 57.

Table 2: Growth of Selected Economic Parameters in the GDR since the Late 1970's (Percentage)

	1978/1977	1979/1978	1980/1979	1981/1980	1982/1981	1983/1982	1984/1983
Produced National Income	3.7	4.0	4.4	4.8	2.6	4.6	5.5
Production Consumption	4.4	3.7	4.0	3.1	-0.9	2.0	2.3
Primary Energy Consumption (in volume)	2.4	1.4	-1.2	0.3	-1.8	-o.1	2.7
Intensity							
--Production Consumption	+0.7	-0.3	-0.4	-1.6	-3.4	-2.5	-3.0
--Primary Energy Consumption	-1.3	-2.5	-5.4	-4.3	-4.3	-4.5	-2.7
Consumption of Economically Significant Energy Carriers, Raw Materials, and Materials per M 1,000 of Industrial Commodity Production	-2.4	-3.7	-5.3	-5.6	-7.5	-6.5	-5.0

(Same Source)

Whereas between 1960 and 1978 production consumption based on 1980 prices at an annual 5.8 percent increased faster throughout than the produced national income at 4.6 percent, this tendency reversed itself as of 1979. While the annual average growth rates of produced national income to production consumption to volume in primary energy consumption up to the mid-1960's came roughly to 1:1.7:0.9, these proportions improved up to the mid-1970's to 1:1.1:0.3, and up to the mid-1980's, to 1:0.3:0.1. This development reflects the results of increasing intensively expanded reproduction. While in the earlier period under consideration the volume in primary energy consumption still had to increase by an annual average of 0.9 percent to get a 1-percent national income growth, a smaller 0.3 percent did it for the second period, and in the 1980's thus far more than 90 percent of economic growth has come out of energy saving. The economic growth attained from phyiscal primary energy saving is shown in Table 3.

Table 3: Economic Growth Attained from Physical Primary Energy Saving (Percentage per annum)

1961-1965	1966-1970	1971-1975	1976-1980	1980-1984
9	67	70	59	93

Source: Computed from "Statistisches Jahrbuch der DDR 1983," op. cit., pp 238-239; "Statistisches Taschenbuch der DDR 1985"; op. cit., pp 25, 57.

By an average annual increase of production consumption of only 1.6 percent between 1981 and 1984, a 4.4 percent increase in produced national income per annum was achieved. In 1982 economic growth compared with 1981 even showed an absolute drop in production consumption of nearly 1 percent. That reversed the ratio of the annual average growth rates between produced national income and production consumption in the outcome of the cost/benefit ratio of 0.82:1 between 1960 and 1980 to 2.75:1 since the early 1980's.

As Erich Honecker observed, "the trimming of production consumption became an essential factor for national income growth. Between 1977 and 1980 only 2.8 percent, M 800 million, came out of this source. In the years between 1981 and 1984, more than 40 percent in the national income growth came out of the reduction of specific production consumption. That was M 14.2 billion right there. The specific consumption of economically significant energy carriers, raw and working materials was cut back significantly. Between 1977 and 1980 it dropped by an annual average of 4.1 percent, between 1981 and 1984, by a 6.2 percent. All told, that saved in the last 4 years M 14.1 billion."[19]

This development for sure was much affected by the change in the trend of primary energy consumption, dropping by 1.6 percent between 1980 and 1983, even if it rose again in 1984. Linked with an increasing share of domestic lignite as part of the primary energy production, however, the rise in primary energy costs could be held down. This reflects manifestations essential to the growth-affecting role of resources saving. The less, e.g., the volume consumption of primary energy increases compared with the produced national income, the more economic growth is due to physical energy saving. But when primary energy consumption in physical units declines absolutely, not only economic growth is attained completely through the volumes in energy savings. For the simple reproduction of the net product also less primary energy is used than in the previous year. But since economic growth depends on the simple reproduction of the net product, an absolute resources saving gets from that its towering importance for comprehensive intensively expanded reproduction.

Because of the favorable development of the physical primary energy consumption since 1980, relative to 1979, until 1983 the primary energy intensity of the produced national income declined faster as a natural value magnitude at the annual average, at nearly 4.6 percent, than the produced national income rose at circa 4.5 percent--a tendency that reflects the transition to comprehensive intensification.[20]

Without such a saving, circa 60 million more tons of lignite would have had to be made available in 1983 compared with 1980. Considering the high and, in tendency, strongly increasing costs in social labor for expanding energy production, that would have required a considerable volume of labor, investments, basic assets, transport capacities, and outlays for environmental protection to make available and refine the lignite. Its exploration and extraction alone would have cost us some M 6 billion.[21]

This positive development is not altered even by the primary energy consumption increase of circa 2.7 percent from 1983 to 1984. Because of the high increase in produced national income of 5.5 percent, the energy intensity dropped by 2.7 percent. Consequently, roughly half of the national income growth in 1984 came out of energy saving. Also for the future development it turns out to be possible and necessary to realize 75 to 80 percent of economic growth without additional energy consumption, i.e. out of energy saving.

To get such growth proportions is a requirement of intensively expanded reproduction. Also in the USSR, as Mikhail Gorbachev has pointed out, "the increased economic demands for fuels, raw materials and materials are to be covered up to between 75 and 80 percent from savings" in the years ahead.[22] Reserves for it are found in reducing the conversion and transportation losses and the high specific material and energy use for many means of production and consumption by way of scientific-technological progress.

To parry the impact rising energy costs have on production consumption, the volume of energy consumption should have to drop circa by the same degree that energy costs rise. Yet the rapidly rising prices for energy raw materials on the world market since the early 1970's, the higher prices for equipment that produces and refines primary energy--rising to a somewhat smaller degree--and the specific labor efforts--rising because of poorer qualities and the increasing ratios between top layers and coal and between water and coal--for producing and refining domestic lignite could thus far not be compensated for. The ratio between the annual average growth rates of primary energy costs and primary energy consumption in the 1970-1983 period lies around 3.7:1.[23]

The ratio between the average annual growth rate of primary energy costs to produced national income and to production consumption in the early 1980's, at 12:3:1, indicates that the slower growth in production consumption in the outcome of deeper intensification, as compared with that of the produced national income, was achieved through a higher efficiency in other production elements. This tendency is likely to affect significantly also the future process of comprehensive intensification. For that reason, scientific-technological progress must be accelerated to an unprecedented degree either to render more favorable the influence of primary energy costs on production consumption through decisive improvements in primary energy use or to compensate or overcompensate for that influence through a higher efficiency in other production elements.

Scientific-Technologial Progress and Saving of Resources

A hastened economic utilization of the data of scientific-technological progress is increasingly becoming a basic requirement for improving the energy and materials economy. Scientific-technological progress is brought to realization here in appropriate working tools and their novel technological combinations, in the objects of labor, in that energy carriers and raw materials are exchanged with one another or a higher grade or less energy-intensive materials are utilized, as well as in energy-saving consumer goods consuming less material. At the same time, a broader capability is provided for reusing energy and material waste products from production and consumption as secondary energies and secondary raw materials.

Working tools substitute for labor objects in production. Reduced specific consumption of labor objects then can justify a dropping basic assets quota if that improves economic efficiency. At the same time, to operate these working tools, energy is needed and through the use of new energy-consuming technologies live labor is substituted. These tendencies on the whole lead to the use of energy carriers higher in use properties, the production of which also calls for a higher labor effort per energy unit. Then, even when energy is saved in natural units, energy costs may rise.

Rising proportions in the growth rates as of the produced national income and the consumption of enery, raw materials and materials express increasing efficiency of the primary energy and raw materials drawn into the economy cycle and are also regarded as a higher refinement criterion of theirs.[24] Generally speaking, refining is a process in which through the use of intricate live labor more and better use-value is produced from a given unit of raw material. It amounts to a sort of reversal if certain use-values, material, product, or utility structures have to be made available from qualitatively inferior raw materials and primary energy carriers. Here the enhanced refining of domestic raw lignite gains special importance for an energy and substantive use in lieu of oil products. Performing this substitution efficiently enough so that it can lead to resources saving and become an effective growth source makes demands on science and technology and becomes a crucial condition for ensuring the GDR's energy and raw material base.

A better energy and materials economy in one sector or process must, however also lead to higher efficiency in other sectors or processes. Thus there is the task at the economic utilization of scientific-technological progress in resources saving of simultaneously reducing the socially necessary labor effort for economic growth. Reducing the consumption of circulating funds in one sector that would lead to higher labor efforts in another, therefore does not count as saving.

In evaluating technologies and effects of saving one must therefore see to it, first of all, that reducing equal amounts of various use-values will produce diverse economic effects. As the effort needed to produce 1 joule of energy comes to a multiple of what is needed for the same amount of raw lignite, energy cost savings also differ from one another considerably.

Second, trimming the specific costs in utility energy ultimately saves primary energy resources. The magnitude of working hours saved, however, depends on which primary energy the saved utility energy was produced from. Thus, electrical energy and fuel production from raw lignite makes different demands than does petroleum on the magnitude and structure of the labor effort. Here one has to pay special attention to the cost dynamics due to the running costs for the production of the given utility energy. Thus, because of the high share of fuel costs in the total costs for electrical energy production on lignite base, changes in lignite costs affect the prime costs of electrical energy much more than is the case in producing it from nuclear fuels.

Third, primary energy is saved, both in volumes and values, when one manages to improve the conversion effects and to cut down the production losses. Right now, only a little more than six volume units of utility energy are produced out of ten volume units of primary energy, at the average, proportions produced being vastly diverse; for electrical energy production it is only circa 3.2, for fuel production on a petroleum base, it is more than twice as much. When there is more electrical energy in the production of utility energy, the ratio will worsen in case the heat produced is not used well in production and consumption. That attaches so much importance to reusing the waste of secondary energy or secondary raw materials. "At present, nearly 12 percent of industrial raw material requirements are covered by secondary raw materials."[25] The technical-economic usable secondary energy potential comes to circa 10 percent of the GDR's primary energy consumption.[26] That however is only a small portion of the waste in the form of heat, amounting to circa 80 percent of the GDR's primary energy consumption.[27] This high proportion of primary energy resources drawn into the economic cycle is lost today, and on the average that magnitude can represent the total raw material consumption. From this arises as an important task for science and technology a vast broadening of the potential usable as secondary energy and secondary raw materials. It means cutting back the consumption increase in primary energy and raw materials. Orienting science and technology more to working with secondary raw materials thus turns out to be an important requirement for comprehensive intensification and for improving the economy of social labor altogether.

Finally, and fourthly, substitution processes result in energy savings when the economically less favorable energy carriers are replaced by the economically more favorable ones, as was the case in substituting for heating oil by domestic lignite for energy use, made apparent by the prevailing ratio of specific costs at more than 5:1.[28]

The saving of energy, raw materials and materials in various processes makes diverse demands on the use of social labor in applying scientific-technical progress. So one has to pay attention to various levels of savings and their effect on the economic reproduction process.[29]

The first level is marked by energy, raw materials, and materials being saved by better standards and contingents and the elimination of waste including uses with less waste through technological improvements. This opens up potentials facilitating higher economic growth, without resorting much to investments, as compared with using extra resources. Thus far the largest savings have come from this level, which will keep reproducing its potentials at various magnitudes, so that it constitutes a permanent productive force through using the opportunities of the social division of labor, of the combines and of production organization.

The point at the second level is to use technologies known on the global scale that are having resources-saving effects. Putting them to effect requires time and investment and R&D expenditures.

As to the third level, there generally new resources-saving technologies and procedures, so-called key technologies, have to be developed and used. "That mainly includes microelectronics, modern computer technology developing on its basis, automated design and production preparation, flexible automated processing systems, new processing technologies, new working materials, and the whole biotechnology field. One must here also refer to creating cohesively closed substantive cycles in which the waste products that come off are to the largest extent being recycled."[30] This calls not only for an appropriate time lead, but also for higher efforts in social labor for R&D, investments and manpower.

All three levels are interacting and must always be pursued simultaneously. Along with the needed scientific-technological innovations of the third level, technological improvements continue to be of fundamental importance as elements of rationalization. The largest share of savings has come from them and will continue to come from them. Compared with that, the share of completely new procedures in resources saving has been relatively small in the period under consideration but sets the premises, as it were, for new large saving potentials for reproducing resources economizing on the large scale of production.

Through a new working principle or procedure, as one knows, such as microelectronics, biotechnology, or converter steel technology, also the economy of the objects of labor by way of the technological procedures substituted for is at once improved and the consumption of resources per value of product, radically reduced. Such "labor of exceptional productive force is exponential in effect."[31] Its economic effect exceeds the social average in manufacturing such a commodity or satisfying some definite demand. However, the possible advantage from it is realized fully only when the technology in question is used rapidly and massively and the average social production level is elevated all-around. Only through the massiveness of the technology and its constant rationalization, the inherent productive force provides comprehensive savings in working time. The less social labor is expended in its use, the more productive it is and "the more its service approximates that of the forces of nature."[32]

Once it has been set in motion, the resources-saving so achieved remains in effect, repeats itself as a service of scientific-technological progress free of charge. Savings grow further through constant technological improvements until that technology gets replaced by a new technological design. In the course of this process, this cycle, time and time again new production conditions arise with new levels of the social division of labor and new opportunities and requirements for trimming the running production consumption. To the extent that the saving potentials, accessible rather easily and through slight investments, are exhausted on the current production and reproduction scale, new resources-saving potentials have to be tapped on the subsequent scale. There is a "process of constantly reproducing the technology at increasing scales."[33] When scientific-technological innovations are not economically utilized in time, the tapping of possible saving potentials is delayed, the economy of social labor is diminished, and new growth-inhibiting factors may occur.

The cost/benefit ratio is much improved when the time factor is given attention and technological improvements rapidly contribute to the tapping of savings potentials. A one-time expense may, to be sure, be considerable. But it not only is returned fairly soon, it creates a pertinent benefit above and beyond it because the effect of this exceptional productive force is extended. Resources saved also, when used later, may produce higher economic effects. Lignite not used today for energy purposes can provide multiple benefits later, at enhanced refinement, for the energy and materials economy. From that are deduced not only the requirement, but also a great responsibility for spotting new working principles, procedures, and technologies and their being rapidly put into production. That actually is a prerequisite for ensuring resources-saving growth long term.

Normally basic innovations call for an extensive upgrading of the material-technical production conditions and for providing such technology with adequate new equipment. This process of substituting for energy, raw materials, and materials by labor assets may even justify a temporary drop in the basic assets quota if that is then being overcompensated by diminishing specific energy, raw materials and materials consumption.

By combining extant assets into new technologies which, through the use of rationalization means, is tantamount to an upgrading of the production base, processes are under way in which, step by step, a new type of technology, the resources-saving type, evolves. From the economic vantage point, technological modernization appears to be the only feasible way "for increasingly achieving effects of expanded reproduction by means of simple reproduction."[34] Then the slower growth in basic assets allocations for live labor, as compared with the labor productivity, must be linked with a less loss-incurring untilization of energy, raw materials, and materials and with reusing waste products as secondary energy and secondary raw materials, to hold the increase of such resources down.

Technological improvements today and for a long time to come are decisive for elevating the economy of embodied labor so that resources-saving growth becomes the crucial component. In no other way is the eocnomic strategy conceivable under the conditions of by no means unlimited resources and the higher costs for extracting and refining them. "Perfecting what we have only helps us gain the means for simultaneously creating new material prerequisites for the most up-to-date technological processes."[35] The more consistently that is done, the more we are opening up an accumulation source for developing new material-technical production conditions for enhanced raw material refining.

No country can afford today to orient itself solely to new working principles and procedures on the basis of new working tools in order to economize in resources. It would far exceed economic possibilities and preclude any short-term introduction of economic procedures. If between 1960 and 1984 the basic assets allocations for live labor in the GDR, at an average annual 5.5 percent, increased much faster than the produced national income, at 4.5 percent, and the labor productivity, at 4.4 percent, there was yet differentiation in the courses these processes took (cf. Table 4).

Table 4: Economic Cost and Efficiency Growth Entities in the GDR (in percent)

	1960-1980		1980-1984	
	Total Period	Annual Average	Total Period	Annual Average
Basic Assets, Producing Sector	297	5.6	123	5.4
Primary Energy Consumption (Volumes)	150	2.0	101	0.3
Basic Assets Allocation for Live Labor in the Producing Sector	298	5.6	121	4.8
Labor Productivity (Basis: Produced National Income)	242	4.5	116	3.9
Basic Assets Quota (Basis: Produced National Income)	82	-1.0	97	-0.9
Primary Energy Intensity (Basis: Produced National Income)[a]	61	-2.4	85	-4.0

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a) At primary energy consumption at volumes

Source: Computed from "Statistisches Taschenbuch der DDR 1985," op. cit., pp 25, 32, 35, 57.

Between 1960 and 1980, the ratio between the average annual growth rates from increased labor productivity and the increase in the basic assets allocations for labor was 0.80:1. In the early 1980's it scarcely improved, labor productivity increasing more slowly. While the basic assets quota also only improved slightly, and still shows a declining trend, a new magnitude was reached in the decline of primary energy intensity. It underscored the need to bring about a resources-saving principally through better basic assets utilization.

That is made apparent by processes such as a comprehensive application of the heat-power coupling, which makes possible more than doubling the effective degree of primary energy conversion in electrical energy production. "With the volume of coal used being identical, along with electrical energy production, more secondary energy becomes available to satisfy the heat requirements."[36] Such an increase in the effective energy degree, to be sure, depends on preconditions that are not only technical or economic. For instance, customers must be found or created close to the place where the heat is generated since, on technical and economic grounds, transportation distances are limited for heat energy. To be sure, the one-time cost for heat-power coupling comes roughly to what it would cost to set up a comparable heating plant based on lignite. However, while for such a heating plant lignite would constantly be needed, the heat-power coupling uses heat that would otherwise evaporate as waste product into the environment. The heat becomes available free of charge, virtually. This is a productive force man absorbs gratis, without extra work, a productive force given by nature.[37]

The use of this productive force and its effectiveness come out of the "social combination of labor,"[38] the special improvement of extant machinery.[39] The full utilization of the advantage in this productive force, to be sure, calls for a level of socialization which creates, along with the technological possibilities in the production process itself, also the necessary prerequisites through an appropriate distribution of the productive forces and sets up consumer centers close to already existing heat producers. At the same time--and this holds true especially for setting up a nuclear energy base--new heat and electrical energy production capacities have to be established where consumer centers already exist or are meant to be set up in the wake of the territorial distribution of the productive forces and the development of new production structures.

Though the use of known technologies provides a large source of resources-saving, it cannot be a matter of merely copying the familiar. Strengthening economic efficiency largely depends on which top technologies in resources-saving are made available. This precisely controls a more efficient utilization and more enhanced refining of domestic raw materials and the sale of relevant technologies, by which over the long haul economic advantages--a surplus value--also becomes possible on the foreign market.

For that, the time horizon is most essential. Today for instance one is quite certain for a fairly long time about the effect of social productive forces on the expansion and diversification of energy production--such as using nuclear energy or lignite refining--with possible projections for over 30 to 50 years. For energy economizing this is by no means so to the same extent. Yet there too the time horizon for including new productive forces in the economic cycle has to be broadened. This is a basis for estimating their technical utilization and their effects on energy and material requirements and for predicting their economic efficacy on the economic scale and, especially, the requirements made on social labor and its distribution.

Watching these tendencies and estimating their effects on productivity and resources-saving is as important as perfecting the procedure itself. In finding new solutions for a better economic utilization of the circulating funds, in a fast and massive effectiveness of these results in all phases of the social reproduction process, and in reusing saved resources and their conversion into social progress, new forms of socialization are occurring in the process of comprehensive intensification. That calls for working on these problems in a complex fashion and through interdisciplinary research.[40]

On the Social Labor Effort for Saving and Expansion

It can be assumed that the saving of a unit of energy, raw material and material over the long run calls for less specific effort in social labor than producing extra units of them. Analyses have shown that the effort in saving a physical unit of energy is only circa 30 to 50 percent of what it takes to make extra units available. Hedrich and Riesner have shown that the average social effort in energy saving, depending on the process, comes to between 2 and 50 percent of the use of fossile energy carriers via conventional conversion.[41] Though expansion as well as economizing costs are likely to rise in the future, these average values are not likely to change much. Even if in some processes the economizing costs will temporarily increase faster than the cost for additional production. If the environmental stress reducing effect of saving, still neglected in part today, is included in the evaluation, the saving effort may come to still less. The production effort could rate as the boundary effort for saving.

This cost trend calls for an accurate analysis, to be sure. For one thing, because of general changes, in the material-technical production conditions of the energy and raw materials base, in the primary and utility energy structure, and in the raw materials and materials structure the tendencies in the economizing and expansion efforts are going to change. And then also, the effort evaluation must account for not only the one-time effort in social labor, but also for the running expenses, not only for the direct, but also for the indirect outlays.

If one compares the one-time outlays for saving with that for expansion, one may get a very incomplete picture in favor of economizing measures. Running expenses must also be evaluated that are generated within a given period relative to the reproduction costs. When heat is produced from lignite, e.g., the fuel costs are the most dynamic magnitude. It reflects the increasing fuel costs and shows up, during the expansion measure, when an extra heating capacity is established, always at a considerable altitude and with a mounting tendency. When, on the other hand, the heat-power coupling is used as an economizing measure, that influence declines.

To understand the order of economic magnitude, in paying attention to the interlinking relationships, the socially necessary labor effort in the processes prior and subsequent to economizing and expansion--the indirect expenditures--have to be included in the assessment. Only from comparing the total expenses, which are nearly quite as high as the direct ones, one can detect the tie-up of social labor for need satisfaction to circulating funds and their needed distribution over the branches and sectors. Because of this high share of social labor--energy and raw material investments reach magnitudes of circa two-thirds of all industrial investments--it is at the same time a most decisive magnitude for production structure development.

While even determining the expansion and production efforts including all these components is not all that uncomplicated, the economizing effort raises many new problems. The use-values produced become real only when they are being applied for the sake of improved demand satisfaction. This includes such use-value properties as a reduced input/output ratio, easy maintenance, or regeneration and modernization capacities, the effects of which reflect the energy and materials economy. The saving of energy, raw materials and material becomes an important component of efficiency, to be sure, but cannot easily be attributed to a particular process or product.

Reducing the specific expenses in circulating funds may result in economic losses when it results in excessive labor efforts in the utilization of the use-values. For the sake of improved demand satisfaction not even the instance is precluded of raising the labor effort in production if over the whole working life of the commodities incomparably higher savings are attained. Input/output can thus be judged only by evaluating both the costs and the benefits the users derive. The saving of heat energy, e.g., through more highly insulated panels or new and more expensive insulation materials may even involve higher construction costs. If one then were to pit the heating costs saved against the one-time expenses for such insultation materials, one would undoubtedly come to reject such better insulation. The economic efficiency of the economizing measure to be taken today will become visible only over a period of perhaps 50 years by accounting for the running surplus costs for wages and heat and the final magnitude of future reproduction costs.

To deduce from this complicated matter, however, that the saving effort cannot even approximately be predetermined, would place in doubt all given posibilities for planned and proportionate economic development. What rather is necessary is to perfect our sets of instruments constantly. The "precise assessments of expenditures is of great weight because that prepares the field of decision-making for economic planning."[42] That makes possible a more accurate formulation of scientific-technical requirements, long-term redistribution of social labor, and the introduction of structural changes that come with it. Hence, investments for saving in their material-substantive structure differ decidedly from those for expanding the production of energy, raw materials and material. It simply is not immaterial whether investments are to be allocated for expanding the lignite production and its liquefaction into fuels or for producing a combustion engine that now only uses merely 5 instead of 9 liters per 100 km, which considerably reduces fuel requirements. Disparate requirements emanate for production structure development from using investments for open-pit mining equipment and chemical plants or, predominantly, for products of machine tool construction.

Securing a stable economic growth over the long run cannot come from economizing alone, of course. Economizing and the expansion of the energy, raw materials and materials production continue to exist in unity as they always did. That is actually a basic condition for intensively expanded reproduction. And here one has to distinguish between enlarging the necessary production of these resources and the expanding of the material-technical conditions for that production.

Economically, there arises the problem in making energy available that even the plain reproduction of the physical replacement fund in energy leads to rising costs in social labor; for one thing, because of the declining natural terms in primary energy production and the price hikes on the world market; but then also because even when the energy consumption, at physical volumes, does not increase or increases only slightly, pit mining has to be opened and lignite refining plants and nuclear power plants and heating plants have to be built. The material-technical conditions for energy production have to be expanded, and old open-pit mines and installations have to be replaced by new ones .

Similar in part also are the problems in making other raw materials and materials available, as in the conversion to converter steel or plasma technology in metallurgy, in the industrial application of biotechnologies in agriculture, in raw material extraction and other industrial sectors.

The unity between intensive and extensive development in the energy and raw materials base underscores the great economic importance of economizing. One thing is obvious: If through economizing the increase of the physical replacement fund for energy, raw materials, and materials is held back, it relieves the economic investment and accumulation capacity, and the absolutely necessary assignment of social labor for expanding the energy and raw materials base and for substitution measures can be distributed over a longer period. An important science and technology task is to make an important contribution to resources-saving growth through the economic utilization of scientific-technical progress and new energy and material-saving technologies, means of production, and technical consumer goods. For that one has to find the kind of effects of the scientific-technological revolution that ensure the best growth conditions. Interdisciplinary efforts are offered a broad field for evaluating the technical, economic, and social effects.

FOOTNOTES

1. K. Marx/F. Engels, "Werke" [Works] Dietz publishing house, Berlin, 1956 ff; Vol 25, p 271.

2. E. Honecker, "Zur Vorbereitung des XI. Parteitages der SED" [Getting Set for the 11th SED Congress] (10th SED Central Committee Session), Dietz publishing house, Berlin, 1985, p 30.

3. W. Heinrichs, "Economic Growth and Satisfying Energy Demands Long Term (Problems in Reproduction Theory)," WIRTSCHAFTSWISSENSCHAFT, No 10, 1982, pp 1449 f.
4. E. Honecker, "Bericht des Zentralkomitees der Sozialistischen Einheitspartei an den X. Parteitag der SED" [SED Central Committee Report to the 10th SED Congress] Dietz publishing house, Berlin, 1981, p 55.

5. K. Marx/F. Engels, "Werke," loc. cit., p 95.

6. H. Koziolek, "Stable Economic Growth Through Comprehensive Intensification," EINHEIT, No 12, 1983, p 1112.

7. K. Marx/F. Engels, "Werke," Vol 24, p 143.

8. Ibid., Vol 25, p 121.

9. O. Reinhold, "Our Economy in the Social Conception of Developed Socialism," EINHEIT, No 1, 1985, p 12.

10. E. Honecker, "In kampferfuellter Zeit setzen wir den bewaehrten Kurs des X. Parteitages fuer Frieden und Sozialismus erfolgreich fort--7. Tagung des Zentralkomitees der SED" [In These Times of Struggle We Press Ahead Along the Road to Peace and Socialism Charted by the 10th Party Congress--7th SED Central Committee Session], Dietz publishing house, Berlin, 1983, p 24 f.

11. W. Heinrichs, "Comprehensive Intensification and Reproduction Theory," WIRTSCHAFTSWISSENSCHAFT, No 7, 1984, p 969.

12. Cf. J. Herrmann, "Aus dem Bericht des Politbueros an das Zentralkomitee der SED--10. Tagung des Zentralkomitees der SED" [From the Politburo Report to the SED Central Committee--10th SED Central Committee Session] Dietz publishing house, Berlin, 1985, p 83.

13. Cf. W. Heinrichs, "The Raw Materials, Energy and Materials Economy in the Continued Implementation of Comprehensive Intensification," materials of the session by the task force on "theoretical and practical questions of the energy and materials economy," 17 April 1984, 1/1984, p 13 f.

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15. E. Honecker, "Zur Vorbereitung . . .," op. cit., p 18.

16. Cf. W. Heinrichs, "Economic Growth . . .," op. cit., p 1452.

17. H. Reichelt, "Environmental Protection Calls for Detente in the Spirit of Helsinki--Speech at the International Environmental Conference," NEUES DEUTSCHLAND, 9 July 1985, p 3.

18. K. Marx/F. Engels, "Werke," Vol 25, p 702.

19. E. Honecker, "Zur Vorbereitung . . .," op. cit., p 26.

20. Cf. "Oekonomische Strategie der Partei--klares Konzept fuer weiteres Wachstum" [The Party's Economic Strategy--A Clear Concept for Further Growth] Dietz publishing house, Berlin, 1983, p 16.

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22. M. Gorbachev, "The Basic Question in the Party's Economic Policy," NEUES DEUTSCHLAND, 13 June 1985, p 5.

23. Primary energy consumption computed in physical units, primary energy costs, at current prices.

24. Cf. O. Reinhold, "Socialist Rationalization in the Developed Socialist Society--Rationalization in New Dimensions," URANIA MITTEILUNGEN, No 1, 1984, p 7.

25. "Notice from the Central State Administration for Statistics on the Implementation of the 1984 National Economic Plan," NEUES DEUTSCHLAND, 19/20 January 1985, p 3.

26. Cf. H. Ziergiebel, "Rational Energy Use," EINHEIT, No 7, 1983, p 663.

27. Cf. Authors' Collective, "Rohstoff und Energie im gesellschaftlichen Reproduktionprozess und ihr Wechselverhaeltnis zur materiell-technischen Basis" [Raw Material and Energy in the Social Reproduction Process and Their Interaction with the Material-Technical Base], Akademie Verlag, Berlin, 1978, p 42.

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31. K. Marx/F. Engels, "Werke," Vol 23, p 337.

32. Ibid., p 411.

33. C. Kroemke, "Marx' 'Kapital'--Theoretical Foundation for Comprehensive Intensification," EINHEIT, No 6, 1985, p 504.

34. H. Koziolek, op. cit., p 1112.

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36. W. Retschke, "The Power Plant Workers' Score Tallies: More Power Out of Less Fuel," NEUES DEUTSCHLAND, 1 August 1984, p 3.

37. Cf. K. Marx/F. Engels, "Werke," Vol 23, p 409.

38. Ibid., Vol 25, p 89.

39. Cf. ibid., p 91.

40. Cf. K. Hager, "Inevitabilities in Our Era--Driving Forces and Values of Socialism," EINHEIT, No 1, 1984, p 17.

41. Cf. P. Hedrich/W. Riesner, "Intensification and Energy Economy," ENERGIEANWENDUNG, No 3, 1984, p 79.

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PRODUCER GOODS ALLOCATION GUIDELINES FOR 1986-1990

Warsaw RZECZPOSPOLITA (REFORM GOSPODARCZA Supplement) in Polish No 65, 19 Dec 85 p 1

[Article by Dr Andrzej Zawalski, head of systems analysis and design department, Ministry of Materials and Fuel Management: "How is Access to be Gained to Materials?"]

[Text] In its Resolution No 124/85, the Council of Ministers set forth the general principles governing operation of the materials and equipment supply system over the 1986-1990 period, simultaneously authorizing the Minister of Materials Management to regulate certain detailed questions.

In accordance with this authorization, Directives have been issued regarding the principles applicable to the process of materials and equipment supply over the 1986-1990 period, together with a supplement (in the form of Circular No 15) deriving from Council of Ministers resolution No 178/85 on the National Annual Plan for 1986. The texts of these documents are discussed below.

Especially noteworthy are the following regulatory provisions contained in the documents in question.

1. The socioeconomic goals which will be given preference in the procurement process are defined in detail.

Such preference consists of imposing on suppliers of regulated materials the legal obligation of concluding contracts with customers carrying out assignents of this nature and granting these customers priority over other purchasers in procurement of free-trade materials.

Such priority will be given to enterprises engaged among other things in execution of operational programs, performance of assignments in the area of national defense and security (this also including production and services connected with firefighting), and production for export of processed goods a list of which is drawn up by the Minister of Foreign Trade.

Small-scale manufacturing units receive preference over a relatively wide range. They are units which statutorily employ handicapped workers, units performing essential services (ophthalmic, laundry, clothing, tailoring, reupholstering, and blacksmith-locksmith services), and units manufacturing folk art and craft objects.

2. The Directives specify the procedure for procurement of regulated materials, and also clearly define the scope of responsibility of mandatory agents toward customers. This applies in particular to the responsibility of responding within a period of 14 days to short-term orders placed by customers, the obligation of stating a delivery date with an accuracy at least of 1 month, and the obligation of acceptance of orders from customers by agents within a period no longer than 45 days in advance of the delivery date.

The purpose of these provisions is to institute greater discipline in the process of procuring regulated materials and to counteract the not infrequent cases of absence of any response by a broker to a customer's order and of giving information that might mislead a customer. Improvement in this area can have a favorable effect on the process of planning stock procurement and management in enterprises.

3. A new element in procurement principles for the 1986-1990 period deserving special mention is assignment of a higher ranking to long-term (multiannual) contracts. For this purpose, Council of Ministers resolution No 124/85 provides the possibility of collection by suppliers of surcharges added to the official prices of materials, provided that deliveries of such articles are made on the basis of a long-term contract. The ceiling of this surcharge is determined by the Minister of Finance. The Directives also provide that if such a contract is concluded for delivery of regulated materials, the volume of such articles covered by the contract will be exempt from the regulation procedure.

For obvious reasons, units performing the function of mandatory agents must participate in the conclusion of long-term contracts for supply of regulated materials, and any disputes will be resolved by the supervisory groups established.

Long-term contracts must be concluded above all between customers consuming large quantities of materials who regularly purchase the materials from the same suppliers. For one thing, this would permit partial stabilization of the contractual relationships between constant partners, and would also aid in acquiring exemption from regulation.

4. A significant measure instituted by the Directives is introduction of a special mode of coordinating trade in certain regulated materials employed in housing construction. The principle adopted for 20 such items is that the amounts delivered will be established within the volume distributed to the individual provinces, in keeping with the level of multiple-family housing construction in progress and with the level of repairs to residential structures.

This measure also ensures suitable coordination of the volume and direction of material deliveries with the geographic distribution of housing construction over the country. The experience acquired over the 1984-1985 period has confirmed that the measure is an effective one.

5. An important matter that has given rise to numerous disputes among enterprise supply offices is the so-called preemption principle applied in trade in regulated materials.

Council of Ministers Resolution No 124/85 clearly restricts the range of application of this right. On and after 1 January 1986, regulated materials may be resold without restriction by an owner who is a socialist economic unit, with the exception of customers purchasing such materials in connection with accomplishment of priority tasks given preference in procurement and submitting an appropriate order certificate relating to this circumstance, and also except for precious and nonferrous metals and liquid fuels to the resale of which the preemption granted to corresponding sales organizations must by no means be observed.

The preemption is in effect for a period of 14 days only, during which the sales organization must respond to an offer made by the owner of a stock of materials either by purchasing the lot offered or by indicating another purchaser.

Council of Ministers Resolution No 124/85 provides the possibility of widening, in justified cases, the range of application of the preemption principle in trade in regulated materials. Decisions are made in this matter by the Minister of Materials and Fuel Management, with the concurrence of the chairman of the Planning Commission under the Council of Ministers.

6. The Directives set forth detailed principles governing trade in liquid fuels. Because of the ongoing shortage of such fuels, restrictions have been maintained on purchase of 3 types of these fuels, that is, gasoline for internal combustion engines, diesel oil, and heating oil. Special restrictions apply to trade in and management of these fuels for the same reason. If a control authority discovers irregularity in this area, the limits that have been set may be correspondingly lowered, to as low as 15 percent if improper management is detected a second time.

7. Wholesale enterprises perform an important function in the materials procurement process. Because of the widespread wholesale network, they represent a closer and more convenient source of supply, especially for customers who consume less than the full amount of specific materials by weight in a given quarter. The minimum batch purchased wholesale can be fairly small and can include different assortments, unlike the supply offered by manufacturers, who justifiably propose sale on a single occasion of large batches of a single assortment.

In the Directives in question, mandatory agents have been assigned the obligation of securing a suitably large volume of goods for the wholesale trade. The currently frequent instances of shortage of materials at wholesale apply pressure on customers to place orders with manufacturers, even when the latter do not represent a rational source of procurement for them. This in effect leads to accumulation of overly large stocks of materials by customers, recycling of these stocks, and the establishment of intermediate rail links serving a small group of customers (such as supply plants or offices within the framework of associations and supply enterprises).

To improve the situation in this area, the units acting as mandatory agents have been assigned the obligation of concluding or verifying cooperation agreements with the wholesale enterprises listed in the annex to the Directives. Such agreements must contain all the essential provisions needed for suitable development of wholesale trade in materials over the 1986-1990 period. This is extremely important for making the procurement process more flexible, as well as for modifying the unfavorable distribution structure of stocks of materials by increasing such stocks in the area of trade.

The principles set forth in Council of Ministers Resolution No 124/85 and in the Directives of the Minister of Materials and Fuel Management constitute a set of legal standards regulating procedures in the area of trade in regulated materials. The practical operation of these regulations will depend largely on the behavior and attitude of individual partners in the marketplace. This requires among other things that these partners be efficient and consistent in applying the authorizations to which they are entitled. Purchasers of materials must follow the established appeal procedure in the event of improper action on the part of suppliers. The economic arbitration system must be resorted to more frequently. Purchasers carrying out priority assignments in particular must avail themselves of the protection afforded by this system. Such purchasers, although presenting justified needs connected with the performance of these assignments, encounter refusal on the part of suppliers to conclude contracts on the terms desired. Experience has proved that this form of customer protection has not yet been properly utilized.

The efficiency of operation of the materials supply system, as regards both regulated items and articles not covered by the regulations, depends to a significant extent on the generally prevailing legal solutions governing contractual relationships in commodity turnover. An essential role is played here by the regulations applicable to the process of concluding purchase contracts between socialist economic units, and by the regulations introducing financial penalties for failure to adhere to the prevailing principles of trade in regulated materials.

As regards the regulations applicable to the principles governing conclusion of contracts, Council of Ministers Resolution No 207/83 has been updated to create more favorable conditions for protecting the position of the purchaser in the marketplace.

Financial penalties for violating the regulations governing the process of trade in regulated materials over the 1986-1990 period will be instituted in an order of the Council of Ministers. The basis and range of the financial penalties are expected to be essentially similar to those currently in effect.

When these legal instruments have been enacted, they will, of course, be published in REFORMA GOSPODARCZA.

6115
CSO: 2600/256

FOREIGN DEBT SERVICING FUND ESTABLISHED

Warsaw RZECZPOSPOLITA (REFORM GOSPODARCZA Supplement) in Polish No 65, 19 Dec 85 p 1

[Legislation: "The Foreign Debt Servicing Fund: Law of 23 December 1985"]

[Text] Article 1.1. The Foreign Debt Servicing Fund, hereinafter referred to as "the Fund," is hereby established.

1.2. The fundamental aim of the Fund is to create financial conditions for servicing the foreign debt.

1.3. Whenever reference is made in this law to socialist economic units, such units shall be understood to mean units as defined in Article 1, Paragraph 1, of the law of 26 February 1982 on taxation of socialist economic units (DZIENNIK USTAW [Official Gazette], 1984, No 16, Item 75, and 1985, No 12, Item 60 and No 37, Item 174).

Article 2.1. The revenue of the Fund is made up of the following.

(1) payments by socialist economic units in the amount of 2 percent of the net value of fixed capital, as determined on the basis of the status at the end of the previous year, made from the development funds or other funds intended for financing the development of such units.

(2) payments by socialist economic units deriving from the portion of the excess value of stocks determined in connection with changes in official prices.

(3) revenue from government foreign loans.

(4) supplementary grants from the national budget.

(5) other receipts as provided in separate implementing regulations.

2.2. The Council of Ministers will issue an order specifying the amount of the payments, extending over a period of 2 or more years, provided in Article 2.1(1). In this order the Council of Ministers may, in particularly justified cases, specify exemptions from and reduction of payments to the Fund.

Article 3. The resources of the Fund are intended to supplement the existing sources for financing repayment of instalments representing principal plus interest of foreign debts and to service state credit granted abroad.

Article 4.1. The Fund will be administered on the basis of annual plans approved by the Sejm (Parliament).

4.2. The draft annual plans for the Fund will be submitted to the Sejm by the Council of Ministers along with the draft balance of payments plan of the government.

4.3. The Council of Ministers will each year determine the amount of the portion of excess value of stocks subject to payment into the Fund.

4.4. The Council of Ministers will each year submit to the Sejm a report on administration of the resources of the Fund, together with a report on implementation of the balance of payments plan of the government.

4.5. Draft plans for the Fund and reports on the administration of its resources will be submitted to the Council of Ministers each year by the Minister of Finance.

Article 5.1. The resources of the Fund will be administered by the Minister of Finance, in accordance with the plans specified in Article 2.1.

5.2. The Minister of Finance will determine the procedure and deadlines for making the payments specified in Article 2.1(1) and 2.1(2).

Article 6.1. The regulations governing liability to taxation will be applied to the payments specified in Article 2.1(1) and 2.1(2).

6.2. The Minister of Finance will have authority to settle questions relating to obligations deriving from assessments in favor of the Fund.

6.3. Correctness of computation and timeliness of payments by socialist economic units based on assessments in favor of the Fund will be monitored by the revenue offices having jurisdiction in the area of the main offices of the units obligated to make payments into the Fund. In the event of incorrect computation or delay in remittance of payments, they will be authorized to establish obligations plus late payment interest and to collect the amounts due by administrative process.

Article 7. Resources of the Fund which are not utilized within a given calendar year will be carried forward to the following year.

Article 8. The provisions of the budgetary law relating to the administration of special-purpose funds will be correspondingly applied to questions not regulated by this law.

Article 9. Article 16.2 will be deleted from the law of 3 December 1984 (budgetary law, DZIENNIK USTAW No 56, Item 283).

Article 10. This law will enter into effect on 1 January 1986.

6115
CSO: 2600/256

GOODS, SERVICES SUBJECT TO OFFICIAL PRICING

Warsaw RZECZPOSPOLITA (REFORM GOSPODARCZA Supplement) in Polish No 65, 19 Dec 85 p 1

[Parliamentary resolution: "Official Prices of Goods and Services. Resolution of the Sejm of the Polish People's Republic of 23 December 1985 Listing Goods and Services for Which Official Prices are Set"]

[Text] The following resolution is hereby adopted on the basis of Article 7.1 of the law of 26 February 1982 on prices (DZIENNIK USTAW [Official Gazette], 1985, No 49, Item 261).

Section 1.1. Official prices will be set for the following.

(a) Consumer goods and services of fundamental importance in establishing the costs of subsistence or preservation of human health.

(b) Bread, rye and wheat flour, macaroni, barley cereal and semolina cereal, rice, and oat and barley cakes.

(b) Pork, beef, and veal, products of such meats, with the exception of delicatessen meat products, ground meat, and chicken covered by the central distribution system, as well as giblets in regulated marketing.

(c) Bacon, lard, butter, and vegetable fat.

(d) Milk for human consumption; sour cream and sweet cream with a fat content of 9 percent and 12 percent respectively.

(e) Domestically produced powdered milk and nutritious milk mixtures.

(f) Cheese, with the exception of cheese from ewe's milk and combined ewe's and cow's milk.

(g) "Bobo-Vita" canned goods, "Bobo-Fruit" food items and fruit and vegetable preparations for children less than 3 years old and produced by a special technology.

(h) Sugar.

(i) Domestically packaged varieties of tea (Popularna, Gruzinska, and Assam).

(j) Coal and coal briquettes, coke, semi-coke, heating of residences with thermal energy, and delivery of hot water to residences.

(k) Piped and non-piped gas and electric energy for household use.

(l) School and academic textbooks and 16-sheet and 32-sheet notebooks.

(m) Manufactured drugs, serums, and vaccines and bandaging products contained in lists drawn up by the Minister of Health and Social Welfare.

(n) Transportation of passengers and freight in urban mass transit vehicles.

(o) Services rendered by socialist social welfare establishments, infant care homes, kindergartens, day care centers, and guardianship and educational establishments, and by hostel services provided by school youth shelters.

(p) Admittance tickets to moving picture theaters, museums and theaters, operas and operettas, philharmonic orchestra and other artistic institutions, except admittance tickets to stage, cabaret, and circus performances.

(q) Services rendered by social health service establishments (hospitals, sanitation and epidemiological stations, etc).

(r) Personal services performed by individuals for social public health establishments (giving blood, etc).

(s) Transportation of passengers in coastal navigation.

(2) Means of production and services of critical importance in determining capital replacement costs.

(a) Coal and briquettes of coal, as well as coke and semi-coke.

(b) Petroleum and fuel oil.

(c) Piped and non-piped gas.

(d) Electric energy.

(e) Sawn wood and general-purpose timber.

(f) Cotton.

(g) Basic chemical fibers (viscose, polyamide and polyester, uncarded textile and industrial rayon, carpet rayon, staple and drawn viscose, polyamide, and polyester fibers of the cotton and wool types, carpet fibers, and staple and drawn acrylic and polypropylene fibers).

(h) Rubber and latex.

(i) New domestically manufactured tires for trucks, buses, and trolleybuses and for agricultural machines, equipment, and tractors.

(j) Buses, trolleybuses, streetcars, trucks, and road tractors with a carrying capacity exceeding 1.5 ton.

(k) General-purpose wheeled farm tractors manufactured by the Ursus Tractor Industry Association.

(l) Apatites and phosphorites.

(m) Ores and scrap metal (purchase and selling prices).

(n) Iron and steel metallurgy products, with the exception of forgings, wheels, tire rims, forged and rolled rings, and railroad turnouts and accessories.

(o) Metallurgical products of non-ferrous metals and products resulting from processing of non-ferrous metals.

(p) Cables and conductors.

(q) Sulfur and sulfuric acid.

(r) Cement.

(s) Cellulose.

(t) Rye and wheat flour, barley and semolina cereal; pork, beef, and veal in the central distribution system; bacon, fat, and lard; vegetable oil and fats used exclusively for culinary purposes; milk for consumption; sour cream and sweet cream with a fat content of 9 percent and 12 percent respectively; cheese, with the exception of cheese from ewe's milk and from ewe's milk and cow's milk combined; sugar.

(u) Artificial fertilizer, with the exception of horticultural fertilizer and agricultural limestone.

(v) Medium-protein feed mixtures for cattle, hogs, and slaughtered poultry procured under contract; high-protein feed concentrates and mineral feed mixtures for cattle and hogs; milk-substitute feed mixtures; defatted feed milk; powdered buttermilk and whey; feed casein and grain, including corn, grain pellets, bran, and extraction pellets.

(w) The basic plant protection agents contained in the list drawn up by the Minister of Agriculture, Forestry, and Food Economy, with the concurrence of the Minister of Finance, with the exception of ready-made imported products.

(x) Services performed by medical equipment repair shops and medical equipment shops subordinate to people's councils or supervised by the Minister of Health and Social Welfare.

(3) The purchase and selling prices of the following basic agricultural products that are imported or procured by socialist economic units.

(a) Grain, with the exception of millet and grain planting stock.

(b) Cattle, hogs, and calves for slaughter, as well as chickens purchased under contract, raised on the basis of a full-portion feed mixture out of government stocks.

(c) Pigs and young boars sold in government intervention procurement.

(d) Cow's milk.

(e) Sugar beets.

(f) Potatoes, with the exception of early potatoes and seed potatoes, over the period from January to May and September to December.

(g) Rapes and turnips, with the exception of planting stock.

(h) Sheep's wool.

(i) Rawhides (cowhide, calfskin, and pigskin).

(j) Leaf tobacco.

2. Official prices will also be established for the following.

(1) Raw ethyl alcohol, rectified spirit (ethyl alcohol) (ordinary, select, and luxury grades), with the exception of desulfitized, post-rectification, and dehydrated alcohol and alcohol products, with the exception of those purchased from citizens.

(2) Tobacco products, with the exception of those purchased from citizens.

(3) Domestically manufactured matches.

(4) Gasoline and fuel oil.

(5) Gold and other precious metals, as well as precious metal scrap.

(6) The funeral services contained in the list drawn up by the Minister of Construction, Area Development, and Municipal Administration.

(7) Admission to municipal parks, zoological gardens, recreational centers, seaside resorts, and municipal baths and public lavatories.

(8) Refuse removal by public service enterprises.

(9) Mandatory testing and inspection of objects on the basis of separate regulations (performance of technical inspections, technical testing of vehicles, testing of imported and exported goods, and measurements and tests performed by the State Radio Inspection Authority).

(10) State reserve warehousing services.

(11) Maps and other geodetic and cartographic materials sold from the state geodetic and cartographic inventory.

Section 2. The following payments (fees and charges) will be regarded as official prices.

(1) Those for domestic transportation of passengers and baggage by rail and in public airplane traffic (on regularly scheduled flights), with the exception of prices for pullman berths and in sleeping cars and for domestic transportation of freight by public motor vehicle and in water transport set on the basis of the conveyance law of 15 November 1984.

(2) Those for postal and telecommunications services in domestic traffic set on the basis of the communications law of 15 November 1984.

Section 3. This resolution will enter into effect on 1 January 1986, and will remain in effect through 31 December 1986.

6115
CSO: 2600/256

PLANNING OFFICIAL ON PERFORMANCE OF ECONOMY

LD170506 Warsaw Domestic Service in Polish 1105 GMT 16 Feb 86

[Interview with Dr Janusz Biernat of the Planning Commission of the Council of Ministers, conducted by unidentified moderator--date not specified; live or recorded]

[Text] [Moderator] We have in the studio Dr Janusz Biernat of the Planning Commission at the Council of Ministers. Doctor, here we are in February, and to tell the truth, after the experiences of last year's winter, which caused us so many economic problems that in some spheres, the losses incurred were not made up by the end of the year, I think that it would be a good thing to consider how it will be with this year's winter.

[Biernat] I think that for the moment there is no cause for greater alarm, because as far as January is concerned, for all intents and purposes it was not exceptionally cold. Industrial production was nearly 5 percent higher than in January of last year.

[Moderator] It was not bad in January of last year either; it was only in February that [words indistinct].

[Biernat] Yes, that is so. It only began to get bad, and the biggest drop in production only occurred in February 1985. Of course, it is difficult to judge what this February will be like, because we don't have the statistics yet. As far as the results for January are concerned, they are not bad: regarding building and assembly production for January 1986, it is nearly 9 percent higher than that of January 1985; in haulage, again, there is no drop in January 1986. I also think that the effects of winter on the functioning and results of the economy must be examined from two angles: to what extent are such great drops in temperature alone used to explain the absence of progress in efficient economic management, low work productivity, and so forth; and to what extent is this effect [of winter] really relevant? I think that this effect was relevant last year in those first 2 months, because the elements of production, mainly those such as the power media, were directed to other purposes--not to production, but to the supply of the municipal sphere, to the communal economy, the sphere of [word indistinct].

[Moderator] Like heating.

[Biernat] Quite simply, heating, and this was the main, fundamental influence. However, we must also take into consideration the fact that while the harsh winters had a positive effect on foreign trade in coal, which means that coal export prices rose, we cannot count on this now, because oil prices are relatively low and are continuing to fall.

[Moderator] They are half of their highest level.

[Biernat] Yes, of their highest level, somewhat around 16 or even less per barrel.

[Moderator] Yet it had been as much as $35.

[Biernato] That's right. Therefore, we not have to take into account the fact that we won't be able to counter the effects of the harsh winter with better results in coal export. The main issue is above all that of our structure. After all, the negative effects of the previous winter showed themselves, among other things, simply in the fact that coal export was lower in the first 2 months of 1985, which....

[Moderator interrupts] This is not because no one wanted to buy, but because we couldn't sent it out.

[Biernat] Because we couldn't send it out, because, above all, it had to go the communal sphere, to supply the town and countryside.

[Moderator] I attended several discussions concerning the party's draft program, and most discussion, relatively speaking, arose over economic matters outlined in this program. Of course, there are certain aims here, and it is difficult to talk about the details when one is analyzing the prospects for a dozen or so years, three 5-year periods at least and maybe more. However, certain doubts and anxieties were expressed that the slogan of an apartment for every family by the year 2000 occurs here; yet we know, after all, that it is a struggle at this moment, that one waits for 18 or even more years, and so, well into the year 2000. We know that every year the population increased by 340,000 to 350,000 Poles. I assume that they will marry, and as a result, 175,000 apartments will be needed for them. And we manage to build this many apartments every year with difficulty. To what extent are these optimistic points in the draft program realistic?

[Biernat] I think that the reply must be as follows. Just as on page 17 of the party draft program; I am thinking of page 17 of TRYBUNA LUDU. It contains a formula which says simply that we are banking on an objective presentation of the economic situation and all the problems of economic growth, and I think the reply must be that the scope for fulfillment of public aims, those concerning the program of housing construction, hospitals, education and upbringing, protection of health; all this will depend, above all, on how far we are able to improve economic management efficiency. This means simply that the fulfillment of all these social programs, over and above the level which we are now implementing, will depend precisely on the extent to which we are able to increase production but with the same supply of the elements of production. What is the....

[Moderator interrupts] Raw materials, energy, and so forth.

[Biernat] Raw materials, energy, fuel and so forth. How did 1985 look? Well, it must be said that we didn't show any particular evidence of an increase in economic management efficiency. It is worth only....

[Moderator interrupts] Yet we talked a great deal about the fact that we ought to.

[Biernat] Yes, we ought to. It is true that we talked a great deal. Well, as an example, regarding realistic remuneration in the material production sphere, in practice it has goen up by 3 percent. This is, more or less as much as in industrial production, but we have not manifested a significant improvement in economic management efficiency. On the contrary, in some matters it is below the assumptions of the plan. Let us take export to countries of the second payment zone as an example. It is lower than last year in absolute terms, if converting to hard currency; but regarding export to, for example, countries of the first payment zone, the negative balance was significantly higher than we planned, and it is well know that dependent upon this export are, in turn, supplies, import supplies, and so on.

[Moderator] And the condition for exports is quality, once again, for the 4th year, we have a decreasing trend in, for example, exports of products of the ectronic machines industry to the second zone; it is clear that the structure of exports is such that we are not able to increase exports as quickly as we should with fuels, raw materials and various other goods. Therefore, it can be said that the point which concerns the scope of fulfillment of social programs in the party's draft program is dependent upon whether we are able to manage our affairs in a significantly more efficient way, and simply to economize more from those resources and materials at our disposal.

[Moderator] But you mentioned the unfavorable foreign trade balance. This also constitutes our debt, but to tell the truth, I didn't notice a proposal for solving this matter in the draft program.

[Biernat] Well, there is, of course, no other way of solving this than....

[Moderator interrupts] Than to pay up, of course.

[Biernat] Than through the increase of exports because paying up is an effect of the extent to which we are able to increase exports. That is the essential thing, therefore, of shifting the economy to a pro-export footing, which we are working on and talking about a lot. But to create any significant effects we simply have to work on it a bit more.

/6662
CSO: 2600/306

BRIEFS

REFORM ASSESSED IN RADOM--A meeting was held in Radom on 25 February attended by enterprise managers, secretaries of PZPR plant committees, representatives of workers' self-management councils and of union aktivs in this voivod. Problems associated with the economic reform were discussed and its functioning in the Radom area was assessed. Participants in the meeting included: Zofia Grzyb, Politburo member, and Wladyslaw Baka, president of the National Bank of Poland and vice chairman of the Sejm Commission for Economic Reform. [Text] [Warsaw TRYBUNA LUDU in Polish 26 Feb 86 p 2] /12232

PASSENGER TRANSIT TO HUNGARY--Talks between Janusz Kaminski, minister of transport, and Lojos Urban, the Hungarian minister of transport, focused on the urgent need for improvement in passenger transit between Poland and Hungary, including shortening the length of time for train travel and raising the level of services. During the meeting in Warsaw, the heads of the two ministries also discussed other problems concerning current cooperation between Poland and Hungary in the area of rail, automobile and plane transport and established directions of its future development. [Text] [Warsaw TRYBUNA LUDU in Polish 26 Feb 86 p 2] /12232

COOPERATION WITH KUWAIT--About 6,000 Polish specialists are working in Kuwait, including doctors, engineers, geodesists and businessmen. Cooperation between the Foreign Trade Enterprise "Polservice" and many companies in that country results in the fact that Poles living there with group or individual contracts work in various walks of life. The 10 societies comprising the Society of Polish-Arabic Friendship will soon be joined by an 11th, which will bring Kuwait closer to Poles. An entrepreneurial group, headed by Abdul Mohammed al-Harni, a businessman who has been involved in trade with Poland for over 20 years, has also been established in this country. On 25 February, the national holiday of this country, namely, its 25th anniversary of independence, he discussed the prospects of economic cooperation with representatives of the Ministry of Foreign Affairs and enterprises cooperating with Kuwait. [Excerpts] [Warsaw TRYBUNA LUDU in Polish 26 Feb 86 p 2] /12232

TRADE TALKS WITH HOLLAND--An assessment of the present state of trade and economic cooperation between Poland and Holland and the potential for its further development was the subject of talks held on 24 February between A. Wojcik, minister of foreign trade, and H.A.L. Vijverberg, the Dutch ambassador. [Text] [Warsaw RZECZPOSPOLITA in Polish 25 Feb 86 p 2] /12232

STEELWORKERS NEED TO INCREASE QUALITY--The current situation in the steel industry, and problems related to steelworkers' social and working conditions were discussed today at a meeting between Deputy Premier Manfred Gorywoda and representatives of the Ferrum steelworks work force in Katowice. The deputy premier stressed that it is necessary, in accordance with government provisions up to year 2000, to increase the quality of steel products, primarily those of stainless steel. [Text] [Warsaw Domestic Service in Polish 1900 GMT 7 Mar 86 LD] /6662

SOVIET BORDER TRADE--Nearly 2 million tons of Soviet raw materials and goods were received over the period of 2 months this year by the workforces of frontier stations Zurawica-Przemysl-Medyka, which is an important place for trade exchange between Poland and the Soviet Union. The most important items are raw materials for our metallurgical industry, particularly iron ore supplied from Krivoy Rog. Deliveries of liquid fuels, mainly gasoline, have recently increased. [Text] [Warsaw Domestic Service in Polish 1900 GMT 1 Mar 86 LD] /6662

COOPERATION WITH BULGARIA--A meeting of the Polish-Bulgarian Commission for Economic Cooperation charied by Deputy Premiers Wladyslaw Gwiazda and Andrey Lukanov ended in Sofia. The results of last year's trade exchange were assessed positively and a protocol on trade exchange this year was signed. It envisages a 10 percent increase in turnover. [Text] [Warsaw Domestic Service in Polish 2200 GMT 27 Feb 86 LD] /6662

1986-90 TRADE AGREEMENT WITH ROMANIA--Trade between Poland and Romania will amount to around R850 million this year, 20 percent more in comparison with the assumptions for last year. This is envisaged by a Polish-Romanian trade agreement for 1986-90 signed today in Bucharest by Andrzej Wojcik and Vasile Pungan, ministers of foreign trade of Poland and Romania, respectively. Poland will export to Romania road construction and mining equipment among other things. We will import, among other things, machine tools, drilling equipment, coal wagons, and Aro cross-country vehicles. We will receive corn, aluminum, metallurgical products, and gasoline for our coking and power industry. In the group of consumptio projects the agreement envigsages, among other things, export of Polish vodka and import of Romanian furniture, net curtains, medicines, sport and tourist equipment, as well as wines and champagnes. [Text] [Warsaw Domestic Service in Polish 1900 GMT 4 Feb 86 LD] /6662

SCIENTISTS IN PRC--Beijing, Feb 28--A delegation of Poland's office for Scientific and Technological Progress and Applications has visited People's China at the invitation from the head of China's State Committee for Science and Technology. During the talks, the Polish delegation and the Chinese [word indistinct] initialed draft "programme for Polish-Chinese Cooperation in Science and Technology for 1986-1990" and a protocol on direct cooperation between Poland's Office for Scientific and Technological Progress and Applications and China's State Committee for Science and Technology. The Polish delegation was received by head of China's State Committee for Science and Technology Song Jian. [Text] [Warsaw PAP in English 2004 GMT 28 Feb 86 LD] /6662

FOREIGN TRADE OFFICIAL ASSIGNED--Warsaw, March 3--On the motion from the minister of foreign trade, the president of the Council of State recalled as of today Antoni Karas from the post of undersecretary of state in the Ministry of Foreign Trade, in connection with his being appointed to diplomatic service. At the meeting with foreign trade officials, Minister Andrzej Wojcik thanked Antoni Karas for his long-time work on the post. [Text] [Warsaw PAP in English 1711 GMT 3 Mar 86 LD] /6662

CSO: 2020/94

ECONOMY ROMANIA

FACTORS AFFECTING FULFILLMENT OF EXPORT PLAN

Bucharest REVISTA ECONOMICA in Romanian 17, 31 Jan 86

[Article by D. Aldea]

[17 Jan 86, pp 13-14]

[Text] The national transport system is to make a major contribution in both export and import operations to the objective of a 12-15 percent increase in the volume of foreign trade in 1986.

According to the law on the plan, the material base of transportation will be increased by 65 diesel and electric locomotives, 3,000 conventional freight cars on four axles, nonautomotive river vessels with a capacity of 178,000 tons, 25 river tugboats and pushers, and seagoing ships with a capacity of 641,000 tons dead weight. This will permit more intensive use of the Danube and the Danube-Black Sea Canal for freight traffic, greater coverage of the requirements for sea shipping by the Romanian fleet, and better use of the facilities in the inventory and the services rendered, all of which will make for elimination of the deficit in the balance of international transportation.

In addition to the technical measures in the way of expanding modern shipping technologies such as pallet and container shipping and mechanized loading and unloading operations, an effort will be made to improve management and organization of all transport systems (reducing idle time of ships and of freight cars in stations and marshalling, shortening repair periods and conserving fuels) and also of contractual relationships, which are basic to the economic mechanism in this activity.

Services in Connection with Export-Import Operations

Foreign trade activities, like those of international economic cooperation and according to the system specified by the current legislation, are effected through special kinds of economic contracts that in general we can call service contracts for export-import operations. In particular they are transport contracts (by rail, sea, highway, air and river), contracts to check the quality of the goods concluded between the Office for Control of Goods (OCM) and the foreign trade enterprises, etc. Although these contracts play a secondary role compared with the contracts for export and import properly speaking, that is for purchases and sales, they have no less an effect upon the efficiency of export-import operations.

The studies made within the foreign trade system revealed some shortcomings in international shipping and dispatching and especially in harbor operations, the latter taking the form of demurrage charges for exceeding the time allowed ships for loading and unloading in Romanian ports. Those payments can come to a considerable amount, which is of course also affected by market conditions. But the main reasons are two typical phenomena, namely the effect of the technical-material base of the harbors or the railroads that carry the freight to or from the harbors, and organizational defects caused either by the foreign trade enterprises because of errors in scheduling the ships' arrivals, or by railroads that do not dispatch or do not receive the freight cars on time, or by harbor enterprises failing for organizational reasons to meet the standards for loading and unloading, the responsibility for which cannot be directly assumed legally because of the lack of contractual arrangements with the dispatcher of the goods, namely the producer enterprise. Upon calling attention to these points, the meeting of the Political Executive Committee of the RCP Central Committee of 4 September 1985 (which discussed and approved the "Report on Improvement of Sea Transport Operations") requested urgent measures for radical improvement of the operations of this sector and optimal performance of its tasks. The measures to be taken must lead to better organization and management of the Romanian Sea Fleet and higher standards for operating ships in Romanian ports, and to reduction of the idle time of vessels in loading and unloading operations by performing them within time limits in keeping with the best world world results and by making full use of the national fleet's capacity. The prescribed measures are to permit shipping about 80 percent of the volume of foreign trade goods in seagoing traffic in Romanian bottoms by 1990, in accordance with the provisions of the Directives of the 13th Party Congress.

Romanian law provides four kinds of economic contracts for services in connection with export-import operations, namely the economic contract authorizing international shipments, the economic contract authorizing freighting, the economic contract authorizing harbor services, and the economic contract authorizing quality control of the goods. In all four cases the contracting parties are the foreign trade enterprises and the specialized enterprises, namely ROMTRANS (in economic contracts authorizing international shipments), NAVLOMAR (in economic contracts authorizing freighting), the OCM or other specialized enterprises (in economic contracts authorizing quality control of the goods) and various enterprises for harbor operations (in economic contracts authorizing harbor services).

The economic contract authorizing international shipments concerns special services rendered by ROMTRANS, as authorized agent, in connection with international shipping and forewarding of exports and imports in rail, highway, air, postal, combined, containerized and through traffic, and with other activities pertaining to them (specialized consultations, insurance of goods in transit, payment of duties on the goods, etc.).

The economic contract authorizing freighting essentially concerns freighting the tonnage needed for shipping the exports and imports by sea. NAVLOMAR, as the authorized agent, also renders other related services (specialized consultations, insurance of goods in transit, etc.).

"Fluent" Trade Flows

The analyses made indicate that failure to secure transport means, lack of operative berths or container platforms, or failure to secure ships are among the factors that interfere with fulfillment of the export plan, often second only to failure to procure the merchandise.

Transportation is a major component of the costs of production and sales, and accordingly a continuing effort is made to keep reducing those outlays through suitable organizational measures, careful planning of shipments, use of the most modern and efficient facilities (pallets, containers, portal-to-portal shipping), rationalization of routes, avoidance of waits and other considerations entering into the series of efforts to rationalize transportation, all of them alike being ways of cutting costs.

The shortage of rolling stock in some periods leads not only to nonfulfillment of the export plan but also to material losses in the form of major immobilizations of the funds represented by the goods produced and stored, the value of which cannot be collected by the producer.

Uniform monthly staging of the annual plan by merely dividing it into 12 months, a measure sometimes resorted to in drafting the transportation plan, is far from an ideal solution because of the seasonal fluctuation in the foreign demand as well as the difference in the demands upon the transport capacities in different periods. Therefore we must allow for the foreign market conditions in applying the various penalties for violating the obligations in domestic economic contracts (Of course we mean contracts contingent upon performance of export-import operations). For example, reception of goods by partners is slow in July and August, the peak period for vacations.

Updated Standards for Shipping and Dispatching

Whereas river shipping in inland traffic (cabotage) as well as freight handling and reloading and other operations in Romanian ports are governed by a regulation on shipping via navigable Romanian waterways (approved by HCM No 1369 effective as of 1 January 1963) in addition to the old Regulations on Commercial Use of Ports (approved by HCM No 976 of 1954), for sea shipping in general we still find pertinent provisions only in the Romanian Trade Code enacted in 1887. The CFR Transport Regulations must also be revised on the basis of current trade practice and usages if they are to become a uniform and complete regulation of new transport means and methods such as containerized or combined shipping etc. We note that the current legislation also includes a definition of a container, because in case of litigation disputes like the one about the nature of a container, whether it is a commodity or a transport means, have to be settled empirically. In the case of combined containerized shipping serious difficulties also arise in determining the time any damage occurred and accordingly the responsible carrier.

Moreover for the same typical situation (occurrence of damage in transit) we find that the legislation on river shipping is not without gaps either. The

The current regulations stipulate that the way to establish any damage is to draw up a report with the captain of the barge. But what happens when the barges are just towed? It has been tried in practice to draw up such reports with the harbor masters of the ports of destination, but the arbitration courts have not recognized the legal validity of that measure for lack of any legal basis.

And finally there is one more problem in connection with freight handling in port, where accidents may occur. In such situations there are international limits to the stevedors' (dockhands') responsibility, and there are dockhands' "General Conditions" in every port. For example, Article 11 of the General Conditions of the Hamburg Stevedores Association (1979) specifies that "The maximum damages payable by a dockhand will not exceed 1 Deutschmark per kilogram or 500 Deutschmarks per packet. Responsibility for all cases regardless of cause will be limited to 20,000 Deutschmarks for the cargo and vessel together. If several parties are involved, the total amount of the damages will be limited to the above-mentioned sum for all plaintiffs." It should be noted that the same "General Conditions" specify a very short time limit (6 months) for any complaints lodged against the dockhands.

Although preferential use of Romanian transport means to ship explorts and imports is recommended, some foreign trade enterprises prefer to sell goods FOB, meaning a buyer has to provide sea transportation. To be sure CIF sales are usually more advantageous to exporters, provided that NAVROMUL charges competitive freight rates.

The greater contribution that international shipping can make to the effectiveness of Romanian foreign trade calls for enactment of a body of laws suited to the present state and developmental prospects of the transport means and the international trade exchanges, in correlation with the international standards in this field. It is also necessary to regularize the current and future provisions in a transportation code reflecting international practice and usages in the field and stating the methods of planning transportation more clearly and precisely, allowing for their future effects upon formation and execution of the economic contracts for services for export-import operations and taking account of the need for the most flexible and yet most exact correlation of the contracts for sales in international trade, the economic contracts for consignment and delivery, and the economic contracts for services. The rights and obligations of the parties to the contracts for transport services must be precisely defined as well as the resulting responsibility of each of the parties. The model contracts for this activity must be updated and supplemented with specification of the plan requirements, introduction of long-term contracts, revision of the customary terminology, adequate contractual arrangements for control of fulfillment of the assumed obligations, etc.

/31 Jan 86, pp 14-15/

/Text/ In the current five-year plan Romanian industry's export offering will continue to show significant gains in both quantity and quality and in the way of preferential promotion, within a diversified structure, of the exports of the peak industrial sectors, namely machine building, synthesis chemistry, electronics, microelectronics etc. Varietal diversification and structural improvement of the offering must also be accompanied by diversification of the marketing procedures and their better adjustment to the objective, and to that end the policy of complex exports must be promoted as a better way to enhance the effectiveness of Romania's foreign trade. Complex exports result not only in a better sale on the foreign market of the machines and equipment manufactured by the machine building industry but also in exports of engineering services, technology and Romanian expertise.

The keen competition in complex deliveries on the world market is indicative of all exporters' major interest in this kind of operation in their approach to the market because it is economically highly effective and also involves new structures with high performances. Under these circumstances the effort of the producer enterprises and centrals, the foreign trade enterprises and the competent organs to promote Romanian exports through contracts for complex deliveries and better organization in order to develop operations of this kind seems justified and urgent. Meanwhile the levers in the economic mechanism of foreign trade that can help to concentrate efforts on successful participation (bidding for example) in such operations must be determined and put to effective use.

Complex exports involve a great many related and complementary activities each of which corresponds to a traditional trade operation such as international sales, transfer of licenses, know-how, consulting and engineering, lending technical aid, performing construction-installation operations etc., activities that all together serve the single, definite purpose of performing a function. The characteristics that distinguish the individual operations for complex export deliveries call for adjustments and improvements in the Romanian foreign trade mechanism as contrasted with the simple buying and selling operations.

Some studies made in a number of units producing exports and foreign trade enterprises made it possible to formulate a series of proposed organizational-legal measures which we present below.

Complex Exports and Suppliers' Responsibilities

Complex export deliveries have been the subjects of a number of relatively recent regulatory acts such as Law No 1 of 1971, Law No 12 of 1980, Decree No 242 of 1974, Decrees Nos 137 and 139 of 1984, Law No 71 of 1969 and Law No 7 of 1977. These regulatory instruments concern the methods of implementing complex exports, especially in connection with the legal relationships of international trade. But there is room for improvement in the present regulatory provisions on this subject, as regards regulation of the internal relationships that are instituted between the domestic general supplier and his subsuppliers in the course of complex export deliveries.

Clearly the contractural terms that are set in these situations can take only the form of economic contracts for purchases and sales. But the introduction of special terms makes that form unsuitable for the contract that is concluded between the general domestic supplier and his subsupplier. According to the present regulatory provisions the parties concluding and executing the contracts for complex exports are the general foreign supplier (usually a foreign trade enterprise), the general domestic supplier (an industrial central or other economic unit as specified in Article 58 of Law No 71 of 1969), the subsupplier of equipment, machinery and materials, the general designer for research and design projects, and the general contractor for construction projects.

One of the first points indicated by the Romanian studies and analyses is the need of heightening the subsuppliers' responsibility for failure to honor their assumed contractual obligations. Disregard of contractual discipline by subsuppliers may have much more extensive effects upon the progress of complex delivery operations than in the case of the traditional operations. For example, failure of a subsupplier unit to deliver parts or subassemblies of relatively low value (and consequently not greatly affecting the respective enterprise's fulfillment of its plan tasks) may hold up an entire complex delivery operation. In such cases the general domestic supplier has to pay his foreign partner far greater penalties than he would collect from the delinquent subsupplier. Since the laws in force do not solve this problem, the specialists have formulated various opinions as to the extent of the liability of the subsupplier who has not met his obligations adequately, such as complete compensation for the damage done, division of the liability between the subsupplier and the general domestic supplier, and finally limitation of the subsupplier's liability to the penalties provided by Law No 71 of 1969.

By another alternative that differs legally from the first of the foregoing opinions but is basically the same economically, the subsupplier is held liable for the penalties provided by Law No 71 of 1969 and for additional damages only insofar as the damage done is not covered by the amount of those penalties. We also note the proposals made by the specialists in production to improve the present regulatory provisions by charging the supplier percentages of the shortfalls in the enterprises' finished products. As far as we are concerned, we feel it would be desirable to revise the present regulatory provisions by increasing the penalties in cases of this kind.

Furthermore organizational measures must be taken to expedite preparation and implementation of special integration programs, especially for series products and those of low value, as required by the party and state administrations. Cooperation between general suppliers and subsuppliers concerning these products is considered economically ineffective by both parties and it can cause difficulties in implementing complex exports. The functional importance of small components, parts or subassembles is sometimes overlooked, especially by subsuppliers, although the complex delivery cannot be made without them, nor can the disturbances caused by these deliveries be compensated for by the general domestic supplier in terms of value.

The problem of incentives, as well as that of increasing subsuppliers' liability, is of urgent importance. Indirect exports, which are included as a task in the subsuppliers' production plans, cannot be less important to them than the direct export tasks. The importance of an indirect export, say that of 100 copies of an electric engine delivered as part of some complex exports to the value of 1 million monetary units, is macroeconomic compared with the direct export of the same engines to the value of 100,000 monetary units. Accordingly the problem of penalties, which are a post-factum measure to remedy damage already done, appears secondary in comparison with that of securing the conclusion and exemplary execution of the complex delivery contracts. The fact that subsuppliers receive no advances or credits, as they do in the case of production for direct export, for production for delivery according to subsupply contracts is another point about incentives.

Simplified Execution As an Effective Incentive

Another series of problems is presented by the threefold settlement operation between (a) the foreign customer and the general foreign supplier (foreign trade enterprise), (b) the general foreign supplier and the general domestic supplier, and (c) the general domestic supplier and the subsupplier.

Two of these three settlement cycles are domestic. In addition to the man-hours spent on this duplication, which is a problem in itself, the fact is often overlooked that the general domestic suppliers are not organized to make those settlements and such employment of that personnel throughout an action is inefficient. Accordingly the suppliers agree to make out pro forma invoices to be sent directly to the foreign trade enterprises, although they would have no obligation to do so for a normal domestic contract for delivery. But it should be noted that in principle the subsupplier enterprises can refuse to make out invoices of this kind on the ground that they are not legally obligated to do so, and they sometimes do refuse, especially when they are not under the central or unit acting as general domestic supplier.

Particular questions also arise in connection with service in the course of complex deliveries. According to Decree No 117 of 1981 on Supply of Spare Parts and Organization of Service and Technical Aid Abroad for Exported Products, the ministries and other central organs with industrial centrals and enterprises producing exports under them are required to provide for production and delivery of spare parts and to organize service and technical aid abroad throughout the entire lifetimes of the exported machines, equipment, installations and other products. The exporting units can send personnel abroad to provide service, as they have a special foreign exchange fund allocated for the purpose, but subsuppliers do not qualify as exporters according to the subsupply contract and consequently do not have access to foreign exchange funds. Moreover the international standards for rendering service call for certain minimal volumes of goods delivered or services rendered, and the deliveries to the general domestic supplier do not always qualify.

Regarding the time limits on guarantees, the foreign contracts for complex deliveries can sometimes stipulate variable time limits, while the period is regulated for current domestic deliveries. Furthermore when we consider that according to Article 20 of Law No 71 of 1969 the guaranteed periods are to be set for all cooperating suppliers according to the contracts for cooperation that are concluded by the general domestic supplier with the specialized units, and that the time limits on the guarantee run from "the date the delivered item is turned over to the beneficiary," it actually follows that subsuppliers are obligated to set guaranteed periods that are usually longer than those specified in the ordinary delivery contracts. In view of the foregoing we feel that some solutions should be found that would compensate the subsuppliers for these disadvantages and encourage them participate in complex delivery operations for export.

Technical and Commercial Competitiveness of the Offering

In order to expedite foreign market prospecting and preparation of the offerings for bids, in addition to improving the technical-material inventory in order to make the technical offerings more attractive, it is necessary to advance some personnel (a team) in these sectors who have specialized training, great competence and suitable technical and legal experience in addition to adequate knowledge of economics and world languages. The need of highly qualified personnel is also being felt in the other segments of the cycle, such as preparation of offerings, negotiation and execution.

If the offering possibilities are to be enhanced we must have access to the most extensive portfolio of licenses possible and especially to their prompt purchase on economically justified terms. The research and design institutes must keep working on their technologies in order to raise their technical standards and adjust them to the foreign customers' particular demands.

More effective complex deliveries heavily depend upon improved methods of calculating prices of deliveries of goods and services, including construction-installation projects. Anomalies sometimes occur in evaluation of the domestic costs for machines, installations, spare parts, overhead etc. The specialists in complex deliveries estimate that the proportion of the value of the designs and engineering incorporated in the Romanian enterprises' offerings and contracts in the total cost of the exported installations is lower in comparison with the practice on the world market. It is also necessary to give special attention to the designs, engineering, licenses, know-how and technical documentation as items to be evaluated separately from other costs in the contract for complex deliveries. It is especially important to develop uniform systems for evaluating the costs so that they can be rapidly adjusted to particular parameters by means of computers, avoiding preparation of the preliminary offerings in too great detail, which is neither economic nor efficient and leads to delays in presenting the offerings. In general, it is found that the enterprises sometimes have difficulties in conforming to the foreign partners' time limits, especially in the case of bids. There are still reserves in the information-approval-offering cycle that must be exploited, as well as rigidities whose elimination would make the system more flexible and its performance more efficient.

The Directives of the 13th RCP Congress coneerning Romania's socioeconomic development in the 1986-1990 Five-Year Plan call for further expansion of the higher forms of international economic cooperation through joint construction and operation of production capacities, founding mixed companies to export products, and joint ventures on third markets, considerably enhancing the economic effectiveness of this activity.

Complex deliveries, as one of the chief forms taken by international economic cooperation, are directly or indirectly involved in the programs for these purposes, so that improvement of the economic-financial mechanism and of the legislation governing the conclusion and execution of complex delivery contracts will directly contribute to one of the priority aims of this year and of the entire Five-Year Plan.

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EXAMPLE OF 'MILITARIZED REGIME OF WORK' DISCUSSED

Zagreb DANAS in Serbo-Croatian 29 Oct 85 pp 30-31

[Article by Miroslav Lazanski]

[Text] What is the meaning of the "Militarized Regime of Work" which has recently been introduced at the energy-producing enterprises? Our journalist is describing the experiences from a similar Romanian factory.

Romanian President Nicolae Ceausescu had dismissed several ministers because the country energy program was not successful and because of the serious errors in the Ministry of Electric Power Industry. Forced to resign were Nicolae Busui, former minister of electrical energy; Ion Avran, first deputy prime minister; and Marin Stefanace, minister of mining. At the same time, by presidential decree that was announced after the meeting of the Executive Committee of the RCP Central Committee, a state of emergency with a militarized regime of production and with military commanders was imposed at all electrical industry plants. Despite Romania's annual production of about 70 billion kilowatt hours of electricity, it still does not satisfy the needs of the industry which is constantly expanding. New mines are being opened, new coal-fired thermal electric power plants are being put into operation, and a certain amount of electricity is being imported from Albania and the Soviet Union. The Romanians are also conducting a campaign for the building of wind and solar-generated power stations, and the first Romanian nuclear power plant, built with Canadian assistance , is supposed to begin to operate next year.

In order to ease the energy crisis, Romania needs to import about 3.5 million tons of crude oil from the Soviet Union which, together with the domestic production of an annual 11.6 million tons, still cannot satisfy all the needs (the Romanians are importing crude oil from other countries, as well). Because of all these reasons in the last several years the country has been carrying out a rigid program of energy saving and, according to the Romanian press, a "militarized regime of work" will soon come into effect at the energy producing enterprises.

What kind of discipline exists in the Romanian enterprises, how is the Party realizing the plans of the enterprises, and are there in peacetime certain elements of a military discipline in Romanian factories? During his stay in

Romania, the author of this article had the opportunity to familiarize himself with the life and the organization of the large IMUA factory (Intreprinderea de Masini Unelte si Agregate) in which 7,000 people are presently employed. At the entrance of the factory on Muncii Boulevard number 250, I was greeted by the president of the Workers Council and the secretary of the factory's party committee Niculescu Mihalache, who is at the same time commander of the Patriotic Guard of the IMUA factory and holds the rank of senior lieutenant in reserve; and by the chief of staff of the factory's Patriotic Guard, engineer Virgolici Oliviu (senior lieutenant in reserve); by the secretary of the committee of youth Stefan Grigore; by the commander of the civil defense Patru Constantin; by the president of the organization of women, engineer Georgiana Moraru (second lieutenant in reserve); by the chief of staff for the civil defense of the city of Bucharest Colonel Pop Alexandru; by a member of this staff Lieutenant Colonel Bratulescu Radu; as well as by Lieutenant Colonel Balanescu Constantin, the deputy chief of staff of the Third Sector of the Patriotic Guard in Bucharest, the district where the IMUA enterprise is located.

The factory started to produce heavy machinery and machine tools in 1976; most of the products were exported. IMUA is a member of the group of factories which produce machine tools (there are 17 enterprises in all of Romania) and the factory with its staff is typical of its kind. There are four main sections in the factory: machines, machines for the electric-power industry, the section for the production of gears and very heavy machines. The production range is wide, the precision in metal processing ranges to 0.2 micrones. The lathes which IMUA has been exporting to all continents weigh about a hundred tons and the production of the new generation of machines is computerized. Generally speaking, this factory, together with the Romanian airplane industry, currently represents the technological peak of this country.

The Workers Council is the collective body of self-management, its members being elected every year when the production results are calculated. The highest body of the factory is the Workers Assembly, which consists of the appointed representatives of the factory sections. It decides whether the president, his deputies and assistants will keep their posts, which depends upon the results of economic operation. The party secretary of the factory is at the same time president of the Workers Council, the factory director is its first vice president, and its other vice presidents are the secretary of the youth organization and the president of the organization of women. The Workers Council and the Workers Assembly are in charge of deciding all company's questions and the rule is that all managers keep their positions as long as their performance is satisfactory and the factory is operating well. Rotation of the managerial positions is not compulsory. The Workers Council and the Workers Assembly also decide the fate of those who failed at their functions. The decisions of the Workers Council are obligatory for all factory employees, and on the occasion of voting no member of the Workers Council has right of veto and decisions are made by simple majority.

The military and semimilitary formations of the factory employees include the civil defense, a fire-fighting unit and the Patriotic Guard. The city of Bucharest has six defense sectors for the Patriotic Guard and each sector has its training and target practice ground. The units of the Patriotic Guard are otherwise organized according to the three principles: territorial, producing and voluntary. Territorial: formation and the structure of the units of the Patriotic Guard coincide with the administrative division of the territories and the city. Producing: this is the most common principle; the troops of the Patriotic Guard are being formed practically in all areas, institutions, enterprises, depending on the size and importance. Members of the units of the Patriotic Guard can be workers, peasants, intellectuals, men, women, and volunteers can be admitted, too.

Applications for admission are decided by the Party Committee of the appropriate institution, enterprise or commune. The Patriotic Guard at the IMUA factory is organized into infantry platoons, companies and battalions, light mortar companies and platoons, antiaircraft platoons and antiarmor platoons, transportation, medical, and material supply platoons. Besides these military tasks the Patriotic Guard of the factory is also responsible for maintaining the continuity of production, order, and discipline and for the immediate protection of the factory facilities.

The units of the Patriotic Guard rely on the material resources of the army, but they also independently purchase some military material. The factory already has fortified points of defense, the underground command center is located under the workshops and has direct telephone connection with President Ceausescu.

Every year, the command cadre of the units of the Patriotic Guard of the IMUA factory leaves for a 6-day military training and meeting and the program of military training and target practice given to the participants is very similar to that for the soldiers of the regular Romanian Army. After completing military service, all participants become members of the Patriotic Guard of the enterprises, and the Army uses them as its reserve. All managerial positions at the IMUA factory are filled by reserve officers of the Romanian Armed Forces, and during large maneuvers many members of the Patriotic Guard of the IMUA plant join regular Army units, but it is not detrimental to the production. For this is exactly the purpose of the maneuvers: to simulate a situation when the Army uses its reserve among the workers of the enterprises.

Weapons and the equipment for the participants of the Patriotic Guard are kept in separate storehouses at the factory. We had the chance to take a peek at these places, too, and to assure ourselves of its solid firepower: antiaircraft artillery of 30 and 37 mm, antiarmor artillery of 57 mm, hand grenades, recoilless rifles, flame throwers, automatic firearms of the AK-47 system....

The impression which an outside observer gets after visiting the IMUA factory sections in Bucharest and talking to its workers is the following: This is a very modern enterprise with a strong party organization, an enterprise which has both the organs of self-management and the elements of military discipline.

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BRIEFS

SFRY TRADE WITH HUNGARY--In 1985 the volume of trade and services with Hungary was valued at $550 million, considerably less than the planned $700 million. Trade last year was accomplished by problems, especially late contracting of mutual delivery of goods, problems relating to payments and agreement on prices. These problems appeared also in border trade with Hungary which is our largest partner in border trade after Italy and Austria; thus, only $50 million worth of goods was traded instead of the planned $90 million last year. However, in regard to services, the problem of the Yugoslav railroads' debts, which had burdened Yugoslav-Hungarian economic relations for the last few years, was resolved. According to the 1986 trade protocol, the volume of exchange is planned at $850 million, with Yugoslav exports at $375 million and Yugoslav imports at $355 million. The value of services in both directions is planned at $120 million. [Excerpt] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 31 Jan 86 p 1] /12947

SFRY TRADE WITH USSR, MONGOLIA--Last year Yugoslav-USSR trade amounted to $6.312 billion, or 1.4 percent more than in 1984. This year the volume of trade should be $6.5 billion, and as of 10 February 1986 about $553 million had been carried out. But it is already clear that prices for energy raw materials will affect the course and structure of trade. These are very important, and the Yugoslav economy will need to seek ways with the Soviet partners of compensating for the differences through new and different deliveries [from the USSR]. One must keep in mind in this regard the desire of partners to deliver more machines and equipment. In regard to Mongolia, trade last year amounted to $8.2 million (Yugoslav exports were $5.4 million and imports $2.8 million). In 1986 $6.7 million worth of trade has been agreed upon, and for the 1986-1990 period, $42 million, compared to the $39 million for the previous 5-year period. [Excerpts] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 22-24 Feb 86 p 12] /12947

CSO: 2800/185

GENERAL STAFF MEETS ON MILITARY ACADEMY RECRUITMENT

Warsaw ZOLNIERZ WOLNOSCI in Polish 28 Jan 86 p 1

[Article by [jas]: "Military Academy Recruitment Affairs"]

[Text] On 27 January 1986, a session of the Central Coordinating Commission on Recruitment Affairs for Professional Military Academies met for the first time this year under the auspices of the General Staff of the Polish Army.

Representatives of the party Central Committee Department for Youth Affairs, the Ministry of Education, the Main Bureaux of the Socialist Youth Movement and Peasant Youth Union, the Main Headquarters of the Polish Scouts' Association, as well as the National Defense League and Polish Aeroclub were invited to participate in the commission's work.

Brigadier General Jan Wojtala, the deputy chief of the General Staff, was the commission's chairperson and directed the proceedings. Also present were the vice-chairperson of the commission, Brigadier General Stanislaw Wytyczak, and the deputy chief of the Main Political Bureau of the Polish Army, Professor Colonel Mieczyslaw Michalik.

It was affirmed during the session that the influx of candidates to military academies was facilitated by the types of climate which were developed among local political authorities, the state administration, and educators, as well as in youth organizations, plants, and schools by the Letter of the party Central Committee of 5 September 1984 on matters of ideological and educational work with pre-recruited and recruited young people, as well as by the decree of the chairperson of the Council of Ministers of the Polish People's Republic of 7 May 1984 which applies to these matters.

Military schooling, as with civilian schooling, is experiencing a rather distinctly universal reduction in the public's interest in higher education.

However, a decent number of candidates have been found. This is the result of the intensive ideological and educational, and informational-propagandistic efforts conducted among school- and recently graduated young people.

It is clear from the degree of differentiation in the recruitment of candidates to professional military academies in individual provinces that the above-mentioned efforts are not being conducted everywhere with the same intensiveness and success. This means that there are still reserves to be tapped in the activities of provincial defense committees and provincial coordinating commissions.

It was emphasized during the session that there was a requirement to improve informational-propagandistic activity, increase its quality and influence by individualizing efforts with candidates, intensify the efforts of youth organizations, and provide the young with the opportunity offered by the military profession, an opportunity which is both publicly necessary and beneficial.

Referring to proposals and resolutions, Brigadier General Jan Wojtala stressed that the issue of recruiting candidates to military academies and schools is vitally important to the armed forces. Young people, entering the soldier's profession today, will shape the image of the army and the character of our socialist armed forces far into the 21st century. The general also talked about the most important tasks facing the commission in the near future.

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SYMPOSIUM ON STRESS MANAGEMENT IN ARMED FORCES

Warsaw ZOLNIERZ WOLNOSCI in Polish 28 Jan 86 p 5

[Article by Major Cieslaw Warych: "Combatting Stress And Strengthening Soldierly Comradeship"]

[Text] Military service is a school of hard knocks. The young who serve have many new rigors and obligations. The change in environment, the need to adhere scrupulously to regulations and rules, the execution of difficult tasks under various conditions and in difficult environs, and the separation from loved ones can all lead to the emergence of stress. Soldiers, during their first months of service, are particularly susceptible to stress; they are especially susceptible from a psychological aspect as well.

Dealing with this stress, creating a friendly service atmosphere, strengthening soldierly comradeship, and forming proper interpersonal relations are the basic tasks facing lower-level commanders, political officers, and party and youth organizations. Results, so far, have been positive.

However, we have to deal in occasional instances with soldiers who cannot cope with personal or service-related problems. In such situations, the absence of a helping hand and the support of colleagues and superiors can result in discouragement, apathy, and the emergence of depression.

A scientific symposium, organized by the Political Bureau of the Silesian Military District, took place in Wroclaw to discuss these phenomena and to work out ways of dealing with them. Representatives from many organizations were invited to participate in the symposium: commanders, political officers, party and youth activists, psychologists, doctors, lawyers, officers from the Provincial Military Headquarters, court procurators, and lecturers from military academies and schools. Also present were representatives from the military districts and branches of the armed forces.

Colonel Hieronim Badyna, a representative from the Main Political Bureau of the Polish Army, also participated in the symposium which was directed by the chief of the Silesian Political Bureau of the military district, Bde Gen, Dr. Zdzislaw Rozbicki.

In his opening remarks, Bde Gen, Dr. Zdzislaw Rozbicki pointed to the major role played by commanders, collectives, soldier groups, and youth organizations in the process of helping soldiers adapt to the conditions of military service. The subunit commander, from the viewpoint of the unusually key role he plays, also has to be the friendly protector and teacher of the soldiers subordinate to him; he must also simultaneously create a climate which encourages activeness and a desire to lead in both service and work.

In order for commanders to deal with this task, they have to get to know thoroughly their subordinates, their interests and expectations, their needs, concerns, joys, and problems with which they themselves are unable to contend. The acquisition of this information is necessary in a soldier's first few days of military service. The commander needs to apply the correct educational methods in the area of basic training and facilitate the soldiers' adaptation in his subunits.

Speaking about the course of the adaptation process, the chief of the District Political Bureau made references to the kind of work with soldiers who experience difficulties in adapting to military service. This work includes personal concern, individual sponsorship, and friendly help. The general affirmed that the indifference of colleagues, neglect of soldiers' difficulties in their adaptation to service, and insensibility to their concerns and problems are the chief causes of stress.

Further along in the symposium, Colonel, Doctor Franciszek Futyma from the Higher Engineer Officers School explained the behavior of soldiers in difficult situations and the role of military instructors in the limitation and elimination of the effects of stress. Colonel, Doctor Edmund Krazynski, an officer from the Psychology Faculty of the Military Political Academy, delivered an interesting report on the theoretical problems of autoaggression. Lieutenant Colonel, Doctor Janusz Lachowicz from the Higher Mechanized Troop Officers School and Lieutenant Colonel Jerzy Gorzala from the Higher Engineer Officers School present to the symposium's participants many interesting observations on the causes of stress and depression, and on how to overcome them.

During the discussion, in which Colonel Stanislaw Torepko, Lieutenant Colonel, and Doctor of Medical Sciences Antoni Florkowski, Colonel Aleksander Mazurek, and Colonel Hieronim Badyna spoke, much attention was focused on the characterization of the role of commanders at all levels in the development of the proper military service atmosphere and correct inter-personal relations. The participants also discussed the tasks of the party and youth organization in recognizing the moods prevailing in the collectives and providing the necessary assistance to those soldiers who most need it.

The formation of inter-personal relations compatible to the basic rule that a "soldier is a soldier's best friend," the combination of requirements with a concern for subordinates, the efficient recognition and shaping of moods, considered response to requests made by soldiers, the strengthening of the role of party organizations and the Polish Socialist Youth Movement in the building of collectives and the creation of a proper service atmosphere, the restoration to non-commissioned officers of basic military service of their role, and their execution of duty services in accordance with current regulations are all the basic trends of action emerging from the symposium. The rigorous implementation of these ideas will ensure not only the proper course of a soldier's adaptation process, but will also combat the emergence of stress and depression in service life.

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NEW PEACE, HUMAN RIGHTS GROUP REPORTED FORMED

Stockholm DAGENS NYHETER in Swedish 22 Feb 86 p 15

[Article by Disa Hastad datelined East Berlin: "New Peace Group Outside the Party"]

[Text] A new unofficial peace group which has human rights on its program as well has recently been founded in the GDR. The group is the first of its kind in Eastern Europe.

In the past such groups have generally separated peace and human rights.

In a communication distributed this week in East Berlin the group's spokesmen wrote:

"The aim of peace work cannot be separated from basic democratic rights and freedoms. The arms race is being conducted over people's heads and peace movement activists are persecuted and partly regarded as criminals. In this regard 'Western democracies' are no better than our own governments."

Since 1983-84 several members of the unofficial peace movement have been taken to court and buttons with the slogan "Swords into ploughshares" have begun to be regarded with disapproval. Accordingly the peace movement has operated quietly in recent years.

Churches are still centers for the movement, with more or less official encouragement. Next to the churches there is a number of small, autonomous groups devoting themselves to intensive and thematic studies of peace questions.

Emigrated

Nevertheless the movement has been decimated. Many of the old activists have emigrated to the West or have been ransomed by the Federal Republic after having served a prison sentence.

"But many new members are now coming to us," Ralf Hirsch, one of the new group's spokesmen, told DAGENS NYHETER.

The new group, which has contacts in three cities and counts about a hundred faithful, will work openly through letters (but not through demonstrations) and has three spokesmen who are changed each year. The three current spokesmen, Ralf Hirsch, Wolfgang Templin and Peter Grimm, all in Berlin, have worked in the peace movement for a long time.

In September they submitted a letter signed by approximately 20 people to the government of the GDR and demanded the lifting of a ban on travel which affected peace activists. Indeed citizens of the GDR can travel freely and when they want to Poland and Czechoslovakia and to Hungary as well if they obtain a Hungarian visa.

But many who traveled discovered at the border that they were clearly on a black list when they were stopped by GDR border guards. In particular it is believed that the authorities are afraid of unofficial contacts between Solidarity and the Czech Charter 77 and the German activists.

No Certificate

In a letter to last summer's Moscow youth festival, the group pointed out that restrictions within the GDR (passports are required for trips to the Soviet Union) prevented them from attending the festival when they wanted to. In their letter they stated their opinion that youth can develop only if they live with freedom of speech, freedom of information, freedom to live where one wishes, freedom of assembly, the right to equal opportunity in education and the right to choose the way one thinks.

In recent years the authorities have not arrested the peace activists, but those who refuse to participate in shooting practice receive no certificate showing that they have received an education. There is no overt ban on employment, but the activists have observed that they have few opportunities to work for the government.

There exists a large and very extensive official peace movement in the GDR and peace is the first item at the party congress in April. The movement is also dear to the heart of party chief Erich Honecker.

Public figures consulted by DAGENS NYHETER are of the opinion that the unofficial peace groups have now turned to working publicly or within the church.

"And we have nothing against the church. We are only against those people who use the peace movement as a mask for anti-state activity," a person highly placed within the party apparatus told DAGENS NYHETER.

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KESSLER SPEECH REVIEWS ARMY HISTORY, GOALS

AU260545 East Berlin NEUES DEUTSCHLAND in German 22-23 Feb 86 pp 3-4

[Speech by Army General Heinz Kessler, Minister for National Defense, delivered at the NVA 30th anniversary celebration in East Berlin on 21 February 1986: "Three Decades of the NVA Reflect the Unity of the People, Party and Army"]

[Text] Dear comrades, esteemed guests:

On 1 March 1986 the soldiers of the GDR together with our country's citizens, together with their brother-in-arms of the fraternal socialist armies united in the Warsaw Pact, celebrate the 30th anniversary of the National People's Army [NVA].

Three decades of the GDR's NVA--that is 30 years of action for peace, 30 years of protecting socialism in the heart of Europe.

Three decades of the NVA--that is 30 years of firm friendship and comradeship-in-arms with the Soviet Army and the other fraternal armies.

Three decades of the NVA--that is 30 years of unbreakable unity of people, party, and army on the socialist German state.

Day of Honor for All Who Have Had an Influence on the NVA's Development

In the same say as our army has developed and strengthened in the vital interest of our people and at the side of our allies, we understand and experience this anniversary also as a day of honor for all those who have had an influence on the development of our armed forces through their high personal commitment, the work of their hands and minds, their farsighted orientation, and their continuous care.

Dear comrades and friends, esteemed guests: Only a few weeks more--than here in this festive site, in our palace of the republic, the delegates of the 11th SED Party Congress will meet in order to determine, in line with our fatherland's socialist peace prospects, the tasks of the next part of the way that is facing us. As everywhere else in our country, in barracks and on training grounds, at airports, on bases, in trenches, and on dreadnoughts, remarkable efforts have been performed for weeks and months. Under the slogan "Soldier's Deed 11th Party Congress!" The army members and civilian employees are making peace more secure.

Over the past few weeks we saw at the delegates conferences of the NVA party organizations the extent of the technical knowledge and revolutionary optimism with which our comrades took the floor in order to pave the way for even higher performances and greater combat readiness with their proposals, critical suggestions, and good ideas.

Founding of the SED--Procondition for Solving the Question of Power and of Armed Forces in the Interest of the Workers Class

And it is precisely this forward-pushing elan that is the spirit in which we celebrate the 30th anniversary of the NVA during these days. We thus heed a work of the great German workers leader Ernst Thaelmann, whose 100th birthday we will commemorate this year: "For us communists," he wrote, "anniversaries are not empty memorial days but directives for the class struggle, guidelines for action."

This is also the attitude with which we look back on our history--the history of our people, our battle-tested Marxist-Leninist Party, and our armed forces; and it is not by chance that we look farther back than 1 March 1956, since the successful development of our armed forces over these 3 decades under the tested leadership of our party is rooted to an essential degree in that important historic event which will have its 40th anniversary in April--the founding of the SEDGF. The uniting of the two German workers parties on a revolutionary basis, which took place on 2 April 1946 in Berlin, the development of the SED to a Marxist-Leninist militant party was one of the elemental preconditions of answering and solving the question of power and later that of armed forces in the east of Germany in the interest of the workers class and the working people.

"We know," Comrade Wilhelm Pieck said at that time, "that the workers class will be the power to solve all tasks only if it has a united, determined, and consistent Marxist leadership."

This is a truth which has proved itself again and again since then everywhere in our society and thus also in our armed forces and which, in the future too, will remain the essential guarantee for each further step forward--toward peace and socialism, [words indistinct].

Dear comrades: When the GDR People's Chamber passed the law on establishing the NVA and the Ministry of National Defense on 18 January 1956, our worker-peasant state had already obtained its firm place. During the decade since the liberation of the German people from fascist barbarism and since the founding of the SED, imperialism and militarism had been rooted out of our territory.

The decision of our working people for progress, democracy and socialism, for a social system in which there are no monopolistic lords exploiting and oppressing the working people and no one strives for domination over other peoples and territories, had long been made at that time. Never again was war to emanate from German soil. We wanted to prove to the peoples, the appeal of the SED Party Executive Committee of 1 October 1949 stated, "That we Germans want to be the friends of all peace-loving peoples and men and never again their enemies."

And only a few days later, after Wilhelm Pieck was elected president of the GDR, Erich Honecker, chairman of the FDJ, at the until then most important post-war rally, vowed on behalf of the young generation, "to guard and protect" the first state of the people and peace on German soil, "this, our house, against the attacks of the warmongers."

Since 1917 the party of Karl Liebknecht and Ernst Thaelmann had never left any doubts that the achievements of the liberated workers and peasants had to be defended when they were in danger and that imperialism and militarism had to be held in check. Remembering the experiences of the Soviet power, of the German and international workers movement, the SED consistently advocated the Marxist-Leninist position also concerning questions of armed defense.

War Is No Law of Nature

To the same degree as the imperialist threat to "our house" mounted, the party explained the necessity of armed protection of the worker- peasant power and told the masses that there are differences between gun and gun, that war is no law of nature, and that peace is not a gift, as we FDJ members sang at the time.

The party not only warned against remilitarization in the FRG, the creation of the aggressive NATO bloc, and the integration of the West German military potential into this pact, but also, as a consequence of this dangerous threat, developed the first protection and security organs, made young volunteers from the ranks of the workers class and the other working people capable of learning the profession of arms and leading armed forces--from the first units of the People's Police to the Alert units of the Garrisoned People's Police.

And when, 30 years ago, we were faced with the task to set up our own regular army, combat-ready forces, and units of ground, air, and navy forces, this necessity was understood by our country's working people. The party had carried the thought and the will to protect and defend the socialist fatherland into the workers class, indeed into all classes and strata of our people. This fact was convincingly shown by the workers militias and the Society for Sport and Technology.

The foundations of our socialist house, in which we wanted to live and which had to be guarded, were laid and firmly embeded. At the same time, however, we were still right in the middle of the process of socialist construction, of restructuring production conditions, and of creating the material base of the new society. Much of that for which the best sons of the German people had for decades been fighting, suffering, and often giving their lives had become reality. But much was still in books, waiting on drawing boards for realization, only lived in our minds.

Thousands and thousands of young people, who took up arms in the spring and summer 1956 and took the oath of enlistment, did this with the firm determination to protect the achievements against all enemies of the working people and their rule, against all attacks on socialism. But they also took up arms convinced that our socialist cause is just and will be victorious, knowing that this great prospect can only be realized in peace, that socialist construction is always socialist work for peace because socialism needs peace in the same way as a plants needs light.

Educated in the Spirit of Internationalism

This supreme principle of our state doctrine--war must never again emanate from German soil--also determined the founding and development of the NVA, and is and remains the central and pivotal point of all our efforts in striving for high combat readiness and for reliable military protection of socialism and peace in Europe.

When substantiating the law on founding the NVA, Comrade Will Stoph, member of the SED Central Committee Politburo and first GDR minister of national defense, stated on 18 January 1956 before the People's Chamber: "In our country, in which the worker-peasant power represents the interests of the working people and of preserving peace, all military measures can only serve the safeguarding of peace and security." He thus referred to Wilhelm Pieck's programmatic statements at the Second SED Party Congress.

There the president of the first German worker-peasant state had outlined the shape of the future army, whose members are educated in the spirit of internationalism, in the spirit of respect for other peoples, in the spirit of love for the workers of all countries, in the spirit of safeguarding and consolidating peace between the peoples.

FDJ Took Over Patronage of Armed Organs

In this spirit and according to these guidelines the army of the German worker-peasant state was founded, structured, and led and has been recruited, trained, and educated--as an army of the people. It is therefore only natural that from the very beginning our army has been enjoying the trust and care of the working people, of all classes and strata of our socialist society.

This was the case in 1956, when the representatives of all democratic parties, members of all social strata and professions, atheists, and Christians supported the establishment of the NVA. The FDJ, which had taken over patronage of the armed organs in 1952, declared its willingness to accept the advanced military science and arms technology in order to protect what the working people had achieved in hard work.

At the historic People's Chamber meeting of 18 January 1956 the FDGB spokesman said: "The worker-peasant army defends our state-owned enterprises, which were laboriously reconstructed by the workers after 1945 and today belong to the people. It defends the soil which was taken away from the junkers; it defends the right of the working people to active participation in the management and planning of production and the state and the right of the workers' children to be able to study; it defends social security and our holiday homes, the childrens' holiday camps, and our great cultural and sports facilities; it defends the trade unions, democratic rights, and the political liberties of the working people."

And this has remained so, dear comrades and friends. Our NVA has been able to develop in a positive way because thousands of threads connect it with all parts of our society, because its mission to protect peace and socialism corresponds with our state's policy and our people's vital interests, and because every day and every hour it received powerful material and spiritual stimuli, strength, and confidence from the people.

Many pages in the book of honor of our armed forces' history would have to be filled if one wants to describe everything with which they have proved that they are the flesh and blood of the working people.

Antifascist Fighters Were Entrusted With Establishing the NVA

The party entrusted the establishments and leadership of the NVA to sons of the German people who had proved themselves at the various fronts of antifascist resistance, who had once worn the rags of fascist concentration camps or prisons, the uniform of the Spanish People's Army or the Red Army, and who were now awarded general's shoulder straps of the NVA or who led our first units and military forces as commanders and political workers. Many of those tested antifascists have left the ranks of the army because of age; to some of the comrades we already had to pay our last respects. But their attitude and their example are still alive in the military forces and units which bear their names and in today's young army members.

Younger comrades, the FDJ members of the fifties and sixties, have taken the place of these general and officers. Indeed, there are already commanders, chiefs of staff, political workers, and graduates of military academies who were only born in 1956!

Today, as in 1956, the corps of our leading cadre is homogenous in its social composition and politically and morally firmly linked with the workers class.

Today more than 80 percent of the officers, more than 90 percent of the officer candidates and professional noncommissioned officers are sons of workers or working cooperative peasants. The great majority of the officers, too, were themselves workers in production before they enlisted in the army.

Thousands of army members are deputies or honorary committee members in the people's representative bodies, members of parents' councils, or of National Front Committees.

Partnership and patronage relations between the army units, enterprises, and socialist brigades in industry and agriculture, between the military educational institutions and universities, between our army and our youth association are very close.

Innumerable are the activities particularly in the reservists' collectives, in the Society for Sport and Technology, and in the FDJ for premilitary training and socialist defense education, for preparing for military service and for the military professions, or for preserving the military capabilities of the reservists.

We thank the working people of the GDR and their youth from the bottom of our hearts for this great support in doing our military duty.

We thank the workers in town and countryside, the teachers, scientists, and cultural workers, the craftsmen, and small businessmen. We thank our country's communists and the members of the parties united in the democratic bloc, of the FDGB, the FDJ, and all other mass organizations for everything that they have done for our army and our army members.

Friendly Advice and Fraternal Help From the Soviet Army

Dear comrades, esteemed guests: One of the undying historic achievements of the SED and its Central Committee is that long before the establishment of the NVA it led our country's working people, and particularly the youth, on the way of friendship with the Soviet people and all fraternal socialist countries.

"It was in line with the international character of the workers class and the progress in shaping the community of socialist states," Comrade Erich Honecker, general secretary of the SED Central Committee, wrote, "that from the very start we considered military protection of socialism in the GDR as a collective, internationalist task. It was possible to fulfill this task only in very close militant alliance with the USSR and its military power and with the other fraternal socialist states and their armies."

In this coalition for defending peace and the future of the peoples the NVA has stood every test in the international class struggle and has always been able to meet the requirements of the accelerating processes in military affairs.

It was in particular the Soviet Army which gave our army what it urgently needed in the military and military-technolgoical field—the material-technical basis of weapons and combat technology and the theoretical equipment, friendly advice, and fraternal aid.

Many of our generals and officers studied at Soviet military academies, became military experts of the victorious workers class, officers of the people in Lenin's country.

For all this help and for the decades of comradely cooperation for the firm comradeship-in arms, we today express our cordial thanks to the comrades of the glorious Soviet Army and Navy. Our particular gratitude goes to the members of the group of Soviet forces in Germany and its commander in chief, the Soviet advisors and military experts, the commander in chief of the Joint Forces and his representative at the NVA, the USSR minister of defense and his deputies!

Communists Have Always Been in the Lead

Dear comrades, esteemed guests: the path which the army of the socialist German state has been following for 3 decades and at which we look with justified pride today was shown by the Marxist-Leninist Party, our SED. And the communists have always been in the lead, on every part of the way, at every ascent and obstacle.

It is mainly because our party, the Central Committeee, and its Politburo has always accorded the necessary importance to the defense of the socialist achievements that the NVA and the entire national defense of the GDR has been able to develop in such a consistent and successful way and to take over more and more responsible and complicated tasks in protecting socialism in the heart of Europe.

The party leadership demanded much of us--in the development of strong and combat-ready military forces and units, in increasing the level of troop leadership, of political and combat training, and ideological work with the army members. It challenged us, also concerning aid for the young nation-states, removing the results of natural disasters, or solving top-priority economic tasks.

But at the same time the party taught us to fulfill the demands, and it dealt with the conditions under which they had to be fulfilled.

In all important stages of our army's development the Politburo and the general secretary personally deliberated with our commanders, [words indistinct], party and youth functionaries on forthcoming tasks and possible ways to fulfill them. And again and again we thus gained rich experiences in life and combat as well as farsighted guidelines and very concrete, practical suggestions.

The most important thing the party taught us then and has taught us with great emphasis since the Eighth Party Congress is care for the people on whom the combat strength and combat readiness of our armed forces depends, care for the capability, the materials and spiritual welfare of our soldiers, noncommissioned officers, officer candidates, and officers, our civilian employees, and reservists. This means care for their best possible training and education as fighters as well as for their service and living conditions.

Thirty years of NVA have proved: the leadership of the party has been and is the main source of all our successes. The party leads through the order of the commander, through the convincing argument of the political workers, through the trustful advice of the party secretary, and through comradely dicussion in the collective. The party leads in the precise fulfillment of the tasks of combat services and the ready-alert system, in the struggle for the best competition results; it leads through the example set by the communists in political and military training, through their example everywhere in life.

Therefore, the heartfelt thanks of all members and reservists of the NVA today go to the party of the workers class, our SED and its Central Committee led by our general secretary, our friend and fellow fighter, Comrade Erich Honecker!

Dear comrades and friends: What our army is, whom it serves, whose friend and whose enemy it is, is shown thousandfold and very clear in its [word indistinct], in the political attitude, in the life of its leading cadre.

Contribution to 40 Years of Peace in Europe

Our young soldiers and seamen have been and are led, educated, and trained by sons of workers and peasants, by men from the working people, by loyal friends of the Soviet Union, by communists and internationalists.

Proof of the nature of the socialist German state's army are such men as the 52-year-old miner's son Kurt Kroh, who has experienced the 3 decades of the NVA from the beginning, who, as a seaman, qualified himself as staff officer candidate by attending several schools and courses and has been serving as petty officer first class on a coastal defense ship for many years.

Proof of our army's nature is the worker's son Bernhard Klaus, who was born in 1956, graduated from the Air Force Air Defense Officers Academy in 1978 and became an operational officer, who attended the Soviet "Yuriy Gagarin" Air Force Academy from 1981 to 1985, and who today is captain and chief of staff of a fighter wing.

Proof of our army's nature is the 48-year-old Colonel Juergen Schlase, a trained milling worker, who in 1955 followed the party's call to the armed organs, became an officer in 1958, later attended the military academy of the Soviet Army's artillery, and has been leading a missile brigade of the ground forces since 1980.

Proof of our army's nature is former shoemaker and tractor driver and today 52-year-old Major General Hans Unterdoerfel, who in 1954 became an officer and platoon leader of the Garrisoned People's Police, began his career in the NVA as a company commander, in 1962 graduated from the Academy for Soviet Tank Troops and in 1978 from the Academy of the General Staff of the USSR Armed Forces, and who has commanded a motorized rifle division for 4 years.

All these comrades and their fellow strugglers, their superiors and subordinates, the active and reserve members of the NVA must be given credit for the fact that our armed forces have at any time honorably discharged their peace mission. Side by side with the Soviet comrades and with all other socialist comrades in arms, they have been able to effectively help peace to prevail in Europe for more than 40 years.

While the past few decades have ever so often been linked with hardships and stress, with personal privations and many denials for the individual, what does all this count compared with peaceful life in our country in which everybody can feel secure and safe!

This is a country which not only ranks among the first 10 industrial nations of the world, but where the working people's accomplishments also benefit them and their families, a country which is distinguished by social security and social advancement, by a meaningful present and even more beautiful propsects for the entire people.

We are defending a social system without people who are jobless or homeless, without company bankruptcies and the closing down of enterprises, without cuts in social benefits and exorbitant rents!

We are defending a country in which 2.4 million apartments were either built from scratch or modernized since the Eighth Party Congress alone and in which more than 1 million such apartments will be commissioned in the coming 5 years. We are defending a state from whose budget year after year billions of marks are spent on slots in nurseries and kindergartens, class rooms and school gynmasiums, on the health service, on recreation and education for the working people and their families!

What do the gruelling night in the ready alert system on a coastal protection ship in a stormy sea, on a patrol tower in the icy cold or in a radar station in stuffy heat, in the cockpit of a supersonic fighter plane or between the rumbling steel walls of a tank count compared with the carefree laughter of our children, the happiness of our mothers, the labor of our working people in towns and villages which is yielding rich fruit!

Guard Mankind from the Scourge of War

Regardless of what combat sector the NVA members and civilian employees might be employed in, all their thoughts and actions are determined by one great goal to do all they can to guard mankind from the scourge of a devastating war.

I well know that I am expressing the heartfelt thoughts of all NVA members when I reaffirm, on the 30th anniversary, the irrevocable will to defend peace as the primary human right, a will which our Army General Heinz Hoffmann expressed at the 10th SED Congress, stating that "because we want our daughters and sons, our grandchildren and great grandchildren to grow up in good health, because we want to enable them to work for human progress and for their happiness, we do not spare ourselves when the preservation of peace, the supreme asset of the working man, is at stake."

Therefore, dear comrades and friends, we will leave nothing undone to always maintain the combat readiness of our armed forces at the required level. We are mounting guard over the protection of the creative work of our people in further fashioning the developed socialist society, mounting guard over the GDR as the bulwark of peace in the heart of Europe. It is for this that we are standing up with our honor as socialist soldiers and with our lives.

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POREBSKI EXPLAINS NEW SCIENCE, TECHNOLOGY COUNCIL

AU131144 Warsaw RZCZPOSPOLITA in Polish 7 Feb 86 p 5

[Interview given by Tadeusz Porebski, PZPR Politburo member and Central Committee secretary, to J. Korzeniowska-Krasowska: Date and place not given]

[Excerpts] The inaugural meeting of the Council for the Advancement and Application of Science and Technology took place in January this year. The council was formed on the initiative of the PZPR Central Committee Politburo for the purpose of stepping up party activities aimed at raising scientific efficiency and accelerating technological progress. We asked the chairman of the council, Tadeusz Porebski, PZPR Politburo member and Central Committee secretary, to discuss this subject with us.

[Korzeniowska-Krasowska] The decision to form the council shows that scientific and technological progress is accorded a very important place in our country at the present time. Nevertheless, one is inclined to wonder whether the formation of the council means that we are dealing with a case of responsibilities and work [being] duplicated, bearing in mind the existence of the Commiteee for Science and Technological Progress attached to the Council of Ministers and the Office for the Advancement and Application of Science and Technology. Is this so?

[Porebsci] We were aware of this aspect when we set up the council and so we planned the work of the council in a way that would prevent such a situation from arising. The composition of the membership of our council is different from that of the committee. We worked on the assumption that it ought to be made up of different people. Thought on the subject of scientific and technological progress should be enriched by the fact that a broader circle of qualified people will be involved in conducting evaluations and developing ideas. The first meeting of the council was rather unusual, discussion was of general kind, and flowed from the question put before the members of the council, which was how do the members of the council see the council's work bearing in mind that committee is attached to the party Central Committee. It gives me great satisfaction to be able to say that the discussion was very fruitful and produced very many interesting ideas. Many ideas of activity were pointed out which confirm that there is not the slightest danger that the council will duplicate the work of the Committee for Science and Technological Progress or the Office for the Advancement and Application of Science and Technology.

The council is not a large one, it has 20 members and will stay that size, although that does not mean that in conducting our work we will not ask for the assistance of other people who are concerned with issues pertaining to scientific and technological progress.

[Korzeniowska-Krasowska] A large part of the resolution adopted at the Ninth Extraordinary PZPR Congress was devoted to science and technological progress and the strategic directions of activity were set out. What progress is being made in the realization of the decisions contained in the resolution? This is another area of state policy which will be assessed during the 10th Party Congress.

[Porebski] I would like to view the matter in broader terms. The subject of scientific and technological progress has been raised and discussed at many earlier party congresses. If one wishes to focus attention on recent years one has to say that our economic difficulties did not permit us to allocate adequate resources for scientific and technological progress which meant that we could not put our ideas on scientific and technological progress in the long-term into practice. The mass of problems we faced, especially economic ones, had to be given priority and there were, therefore, more immediate tasks which had to be formulated and solved. As the economic situation has become more stable during 1984-85, there is a real possibility of undertaking activities in the field of scientific and technological progress, particularly in the formulation of ideas about its functioning.

I personally believe that the decisions adopted at the Ninth Extraordinary Party Congress concerning scientific and technological progress have been realized in their essentials, although with a certain delay; there was no possibility of avoiding that. Undoubtedly, among the most important issues examined at the 10th PZPR Congress will be that of scientific and technological progress and it will occupy, as one would expect, an important place in such congress documents as the congress resolution and the party program.

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NEW APPOINTMENTS FROM NAVAL MILITARY COUNCIL

AU260904 Warsaw ZOLNIERZ WOLNOSCI in Polish 14 Feb 86 p 1

[Lieutenant Commander Jozef Wasilewski report: "The PPR Naval Military Council in Session"]

[Text] The 13 February session of the Naval Military Council was attended by Army General Florian Siwinki, PZPR Politburo candidate member and minister of national defense and by General of Division Tadeusz Szacilo, head of the Main Political Administration of the Polish Armed Forces.

On behalf of Army General Wojciech Jaruzelski, chairman of the National Defense Committee, and on his own behalf, F. Siwicki offered cordial thanks to Admiral Ludwik Janczyszyn for his long, highly effective, and dedicated service as commander in chief of the Polish Navy. L. Janczyszyn has been transferred to another state post, and Vice Admiral Piotr Kolodziejczyk has been appointed commander in chief of the navy.

The Naval Military Council was also informed that Vice Admiral Ludwik Dutkowski, deputy commander of the Polish Navy for political affairs, had been appointed to the post of first deputy head of the Main Political Administration of the Polish Armed Forces and that Commander Waldemar Raczkowski had been appointed head of the Main Political Administration of the navy.

To end the session, F. Siwicki discussed the basic training and educational tasks of the navy against the background of the country's internal and international situation.

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GDANSK AKTIVS VIEW 'SOCIAL WRONGDOING'

AU190936 Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 pp 1, 2

[Excerpts] PAP--Gdansk voivodship aktivs held in Gdansk a session on how to combat all wrongdoing that violates norms of people-to-people relations, how to deal with social misconduct, and what to do to improve people's moral health.

The session was attended by representatives of the party, the allied political parties, and social organizations as well as by Stanislaw Bejger, PZPR Politburo candidate member and first secretary of the Gdansk Committee; by Central Committee Secretary Jozef Baryla; and by General Prosecutor Jozef Zyta.

Opening the session, S. Bejger said that the issues of the session are the central problems and of all people as attested to by the Sejm election campaign and by the meetings preceding the 10th Party Congress. What we should do, however, he said, is to take resolute action and, especially, to launch a determined struggle against the features and sources of social ills.

Mieczyslaw Chabowski, secretary of the Gdansk Committee, read a report on dangers to society. Those taking the floor analyzed at length features such as crime, alcoholism, drug addiction, parasitism, waste, and moral corruption of young people.

Speaking at the conclusion of the session, J. Baryla said that the party and state authorities continued to give priority to combating social wrongdoing and promoting moral health for two main reasons:

--First, this is what the people want, and people's wishes should be respected;

--Second, we are entering a new stage of normalization--a stage of disappearing tensions and increasing national agreement, which is necessary if we are to effectively combat social ills. Actually, it can be said that economic improvements depend to a great extent on improvements in people's moral health.

Activities to this end, J. Baryla said, call for unifying various large focus of society, which is a task for men and women of action, goodwill, and care for the community. As for administrative and legal action, we can already see obvious militancy and better results in this regard. On the other hand, we need to boost our efforts at the broad social and educational front. He stressed that what is needed is not a single campaign, but continuous long-term activities, which actually began many years ago. However, this continuation has reached a new stage, one that seeks to find better solutions on the basis of new experience and changing needs.

The session adopted a resolution and addressed an appeal to Gdansk people.

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BARYLA AT ELTRA WORKS IN BYDGOSZCZ

LD181000 Bydgoszcz Domestic Service in Polish 1605 GMT 17 Feb 86

[Unidentified correspondent's report]

[Excerpts] At 3:30 pm, in the administration building of the Eltra (radio and TV equipment) Works in Bydogoszcz, a meeting began between the works aktiv and Jozef Baryla, secretary of the party Central Committee and Sejm deputy. The guests of the Eltra workforce also include General of Division Czubinski, deputy internal affairs minister; Zenon Zmudzinski, first secretary of the party Voivodship Committee in Bydogoszcz; and (Ryszard Bandoszek), first secretary of the party Municipal Committee.

The chairman of the meeting stressed in his introduction that the phenomena of social pathology, of which one source was the relaxation of social and professional discipline at the beginning of the eighties, also concern the Eltra workforce. Last year a record number of dishonest employees were recorded here, people who took from the enterprise sought-after stereo radio equipment. It was also last year that a growth was observed in the numbers of those who committed misdemeanors against the law on upbringing in sobriety. Countering these trends and developing a social climate of condemnation for manifestations of hooliganism, vandalism, drunkenness and dishonesty constitute a program for the moral renewal of the community, which we must work out together, and put into practice--said secretary of the Central Committee Jozef Baryla.

Just now, as I dispatch this report, the discussion is still in progress. Afterwards Jozef Baryla, secretary of the party Central Committee, will take part in a meeting of the Eltra departmental party organization at the Mechanical Department which he has applied to join.

Also today in Bydgoszcz a meeting took place between deputy internal affairs minister, Lieutenant General Lucjan Czubinski, and representatives of the civic militia, the Prosecutor's Office, the courts, the penal establishments, as well as members of the misdemeanor courts. At the meeting the functioning of the laws on the accelerated mode of penal proceedings was discussed. It was also stated that problems of broadly conceived legal culture ought to become a subject of discussion in various social milieux.

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FOREIGN MINISTER ADDRESSES 'CHILDREN'S FRIENDS' GROUP

AU260900 Warsaw TRYBUNA LUDU in Polish 18 Feb 86 p 2

[Excerpts] Marian Orzechowski, foreign minister and chairman of the Polish Committee of the International Peace Year, received a group of participants in the International Meeting of Children's Friends on 17 February. The meeting, which opens on 18 February in Warsaw, is a function of the International Peace Year proclaimed by the United Nations.

M. Orzechowski drew attention to the dangers to international peace and security and to the need for mobilizing world public opinion to combat these dangers. Recalling the purpose of the meeting of children's friends, he said that it was necessary to make nations realize what disasters wars bring on children and to intensify efforts to preserve peace for the sake of children and their right to live in peace.

Proclamation of 1986 as the international peace year, M. Orzechowski continued, eloquently attests to the universal conviction that effectively combating dangers to peace in the nuclear era calls for consistent and persevering activities by the states and governments and for efforts to jolt world public opinion, including scientific communities, creators of culture and art, as well as social, trade union, religious, and youth organizations and movements.

It is needless, M. Orzechowski stressed, to explain why you came to Warsaw. You have come here to ensure for children a secure future, the most extensive care, education, a healthy and full development, and which is most important, a life in peace. Your motives are close and clear to us. After all, children have always been exposed to the direct dangers during wars and natural disasters. Children's lives, health, and happiness must be regarded as the supreme good of every society if it is to develop normally. But we must always bear in mind that all this is possible only under conditions of peace and international understanding and cooperation. I suppose, M. Orzechowski said in conclusion, that it is the Polish people who are in the best position to value these blessings because they lost over 6 million citizens, including about 2 million children, in the last war.

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COMMITTEE APPEALS FOR GOMULKA MANUSCRIPTS

AU251621 Warsaw TRYBUNA LUDU in Polish 19 Feb 86 p 2

["Communique by the Editorial Committee for Planning an Edition of W. Gomulka's Writings"]

[Text] The PZPR Central Committee Politburo, wishing to perpetuate the memory of Wladyslaw Gomulka's distinguished role in the Polish workers' movement and in the emergence and development of People's Poland, has decided to publish his writings. For this purpose an Editorial Committee has been appointed which has already commenced work. At the present state of its work it wishes to determine the full extent of his heritage of writings.

The committee asks all persons and institutions possessing manuscripts by Wladyslaw Gomulka--speeches, letters, notes, and other texts, as well as photographs--to send them to the PZPR Central Committee Central Archives (Warsaw, 13 Gornoslaska Street, telephone 28-60-95 or 29-83-81). This material will be photocopied for editorial and storage purposes and the originals will be returned to their owners.

The Editorial Committee will be grateful for a positive attitude toward its request and gives thanks in advance for the help given to it. The Editorial Committee for Planning an Edition of Wladyslaw Gomulka's Writings.

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PAPER REVIEWS MILITIA RESERVE'S 40TH ANNIVERSARY

AU251807 Warsaw TRYBUNA LUDU in Polish 21 Feb 86 p 3

[Jerzy Olszewski article: "Forty Years in the Service of Society"]

[Text] On 21 February 1946, 40 years ago, the Voluntary Citizens Militia Reserve [ORMO] was founded. To be more precise, on that day the Council of Ministers adopted the appropriate resolution, but ORMO units emerged earlier, during the war.

Voluntary groups formed themselves in areas liberated from occupation. They were inspired by the Polish Workers Party, which called on peasants, workers, and the intelligentsia to provide able-bodies and bold people to keep the peace, protect the life and property of citizens, and introduce social order to industrial plants, steelworks, coalmines, and the frequently depopulated cities and villages. But this was not their only task.

The beginning, as well as the first years of ORMO's official existence, were also a sharp struggle against an underground that was hostile to socialism, a struggle during which many lost their lives or health. In the middle of 1946 ORMO membership amounted to 40,000, but was already over 100,000 at the beginning of 1947. These members, together with functionaries of the Citizens Militia and Security Service, became soldiers of the Polish People's Army, guarding the emerging socialist state.

When it was obvious that the state had taken root and that strong organizational structures for people's rule had emerged, and when the opponents to the new system had had their weapon knocked out of their hands, meaning real rifles and pistols, the tasks of the ORMO organizations changed. A new statute issued by the minister of internal affairs altered the unit's paramilitary nature that had been in effect till then. ORMO became a social organization, whose basic duty since then has been to conduct preventive and educational activity, as well as to guard public property and economic and natural assets, and maintain order in the streets of cities and villages and in production plants.

Later, the PPR Sejm passed a law which stipulated the structure and nature of ORMO.

Today, ORMO's membership exceeds 300,000. People have remained in the organization who are profoundly ideological, compeltely dedicated to their work, and convinced as to its correctness and necessity. Such a selection of people has not turned out to ORMO's disadvantage because the weakest people and those who are unstable and nonresilient have left it. Some former members are once again applying to join, or rather to return to the units where they once worked.

Not so long ago I looked at the work of ORMO teams in large plants in Silesia--in mines and steelworks. Not many functionaries resigned in those places at the beginning of the 1980's. People possessing a workers' background are tough, resilient, and not susceptible to changing moods. They continue to patrol their plants just as they have always done; make daily rounds; and point out disorder, untidiness, and waste of machinery, equipment, raw materials, commodities, and energy. Their work serves to visibly improve the production figures of enterprises.

ORMO men cooperate closely with the industrial watch and with professional control bodies. Wherever this cooperation is in order, cases of drinking liquor during work or violating other legal rules in force inside workplaces are either absent or exceedingly rare. ORMO's cooperation with the Militia and Railroad Protection Service is very favorable. Until recently, very evil things, even shocking ones, used to occur. Wagons were quite simply stolen and valuable goods carried away. Now the situation has clearly improved, and a lot of this is the work of ORMO teams patrolling stations and railroad sidings, and controlling trains on the move.

The years of sociopolitical unrest have strongly weakened the moral health of some sectors of our nation. We know that there is no universal body combatting wrongdoing. It is necessary to create a broad front of social disapproval, a front of moral renewal. It is in this very front that an above-average role may be played, and in fact is being played, by ORMO, which has written so many beautiful pages in its 40-year history.

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JARUZELSKI RECEIVES DKP DELEGATION

AU250544 Warsaw TRYBUNA LUDU in Polish 22-23 Feb 86 p 1

[Text] PAP--On 21 February PZPR First Secretary Wojciech Jaruzelski received a DKP delegation led by Karl Heinz Schroeder, Presidium member and board secretary of the DKP.

W. Jaruzelski discussed Poland's situation and 10th Congress preparations and K.H. Schroeder reviewed DKP activities in the struggle for peace and the working people's rights in the FRG as well as the course of party discussions prior to the Eighth DKP Congress.

The sides agreed that the most important present task of all progressive and democratic forces is to struggle against the danger of nuclear annihilation and to support all initiatives to promote this struggle. In this connection they approved of M. Gorbachev's proposals that nuclear weapons should be eliminated by the end of this century.

The PZPR and the DKP view with concern the activization of the revanchist forces in the FRG, which continue to question the territorial-political reality in Europe. It is necessary to oppose such activities.

The two parties will continue to develop their fraternal cooperation.

The meeting, which took place in a cordial atmosphere, was attended by Ernest Kucza, head of the Central Committee Foreign Department.

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PZPR LAW, ORDER COMMISSION IN SESSION

AU250544 Warsaw TRYBUNA LUDU in Polish 22-23 Feb 86 p 2

[Jerzy A. Salecki report: "Developing Attitudes Is a Common Task"]

[Text] The 21 February session of the PZPR Law and Order Comission discussed the party program for developing civic attitudes, consolidating moral values, and combatting wrongdoing in 1986-90. The session was chaired by Central Committee Secretary Jozef Baryla, the commission's new chairman.

The session analyzed the party program's commitment to ensure that citizens respect and observe the values of socialist humanism and that wrongdoing is eliminated from public life. It stressed that the comprehensive nature of the program makes it necessary to promote a national struggle against wrongdoing in any form and that the party, which coordinates the allround process of renewal, continues to respond to people's demands that efforts to overcome the crisis must not be restricted to economic problems alone because there is also an acute crisis of human behavior and because reprehensible and criminal phenomena continue to be tolerated.

The party program for fostering civic attitudes is a continuation of the Ninth Party Congress tasks and reflects social needs and expectations. That is why its tasks can and should be tackled by various social organizations and educational institutions.

The session stressed the need for an extensive struggle for the morale of our people and against various features of wrongdoing and agreed that parents, school, youth organizations, local self-government groups, and enterprises must have their place in this struggle. The session drew special attention to the responsibility of enterprise managements for educating new cadres, for fostering correct people-to-people relations, and for combatting alcoholism and refusal to work and indicated that the social efforts to develop civic attitudes must be aided by the law, which should be applied with justice and the necessary severity.

The session agreed that unreasonable tolerance of wrongdoing makes the criminal fringe even more impudent and undermines people's trust in the authorities. The important task is to create a climate that encourages the people to actively combat wrongdoing and that totally condemns alcoholism, dishonesty, loitering, as well as common and economic crimes.

The struggle for the people's moral health is one of the elements of the 10th Party Congress preparations, J. Baryla said. By presenting the long-term program for civic upbringing, we want to foster socialist ideals, strengthen respect for work, and eliminate wrongdoing from our community life. The party sponsors activities to this effect, but all party members and nonparty people must support these activities for national reasons. The document that this commission will draw up will be represented to the party leadership.

The session also discussed the performance of the Worker-Peasant Inspectorates in 1985 on the strength of an analytical report submitted by the Social-Legal Department of the Central Committee.

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OLIWA SPEECH ON SOVIET ARMY ANNIVERSARY

AU261516 Warsaw ZOLNIERZ WOLNOSCI in Polish 22-23 Feb 86 p 2

[Speech by General of Division Wlodzimierz Oliwa, deputy minister of national defense and chief quartermaster of the Polish Army; at a concert held at the Polish Theater in Warsaw on 21 February to mark the 68th anniversary of the formation of the Soviet Armed Forces]

[Excerpts] This year we are celebrating Soviet Comrades-in-Arms Day in a particularly elevated atmosphere. This atmosphere is generated by the preparations which are being made for the 27th CPSU Congress, whose historic deliberations will commence in a few days' time. The congress will be an event of the highest order, whose singificance will extend beyond the borders of the Soviet Union. These pre-congress days are accompanied by thoughts on the great achievements of the Soviet people since the Great October Revolution, and by thoughts on the inspiring and stimulating program whose implementation will raise the Soviet Union to a qualitatively new level of sociopolitical and economic development and will lead it along the wide road leading to a communist society.

Life in peace continues to be subjected to a harsh test. In recent years, mankind has once again found itself in a critical situation. The confrontational policy being pursued by the United States and the majority of its NATO allies is the force that is pushing the world toward a nuclear catastrophe. The intensification of the arms race, the realization of the "Strategic Defense Initiative"--the "Star Wars" program to call it by its name--is the most telling manifestation of this tendency. This has resulted in a dangerous deterioration in relations between East and West. It is a threat to all mankind.

This policy is aimed at producing a change--to the benefit of the West--in the existing balance of power between the United States and the Soviet Union, and the North Atlantic Alliance and the Warsaw Pact. A whole complex of military, economic, political, and propaganda undertakings have been subordinated to this end.

The Soviet Union leaves no doubt that all attempts at achieving superiority over our defensive coalition will be thwarted in good time. At the same time the Soviet Union, supported by the socialist states, continues to undertake peaceful activities aimed at creating confidence and security in Europe, at curtailing the arms race, at stabilizing and laying a firm foundation for military equilibrium, and at achieving a consistent reduction in the danger threshold.

The most recent and clear evidence of this is the initiative announced by the General Secretary of the CPSU Central Committee, Mikhail Gorbachev. He has put forward a comprehensive program for greeting the 21st Century without nuclear and chemical weapons and with a far-reaching reduction in conventional weapons. The philosophy behind this program--which convinces hearts and minds with its simplicity, logicality, and its resoluteness--can be expressed in one sentence: Let us not seek weapons that are more powerful then those we already have, and seek to protect ourselves against their use; let us destroy them now and live in peace.

The Soviet program for total disarmament has set out, in a concrete and factual manner, the path leading to mankind's liberation from the nuclear threat. It is of historic significance for the disarmament dialogue between the Soviet Union and the United States and for the negotiations which are taking place between East and West in various forums. The document creates hope that lasting peace will become a real possibility.

On the other hand, so far it has not met with an appropriate response in the United States.

As General W. Jaruzelski, PZPR first secretary, declared from the tribune of the United Nations, Poland is and will remain an ardent advocate of peace and international security. We gave expression to this by supporting the idea of a meeting between the leaders of the Soviet Union and the United States in Geneva. We support the Soviet program for the elimination of weapons of mass destruction.

Our efforts to strengthen peace and international security occupy a prominent place in the PZPR draft program and manifest themselves in the pre-congress discussion which is currently under way.

The soldiers of the Polish People's Army, along with all society, are actively participating in setting out the paths for the development of socialist Poland. They are defining their responsibilities toward their own country and toward the entire socialist community.

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ROLE OF BASIC PARTY ORGANIZATIONS VIEWED

AU272118 Warsaw ZYCIE WARSZAWY in Polish 24 Feb 86 p 2

[Discussion of report prepared by the executive of the Warsaw Voivodship PZPR Committee and presented at a conference of basic party organization first secretaries held in Warsaw on 22 February]

[Excerpts] Primary party organizations must be deeply rooted in their communities, they must be familiar with the problems faced in their communities, and know what concerns people most of all. These were the dominant themes of the report which served as a starting point for discussion.

The report concentrated on the following issues:

--How can the Warsaw party organization be strengthened, and how can its influence be increased and its ability to lead and direct the political, social, and economic life of the capital enhanced;

--How to form the closest possible bond between the party and workers' class and its aspirations and interests;

--How to improve the manner in which the ideals of the party are conveyed to the younger generation.

--What has to be done to party work to bring about an improvement in the execution of economic tasks and to raise effectiveness in the solution of the most urgent problems faced by working people.

Of course, the answers are neither simple nor straightforward. These questions were inserted into the report on the assumption that participants in the meeting would voice opinions on them and make observations. The concrete facts, figures, and proposals contained in the report were to serve as the starting point for discussion and generalization.

Here are some examples:

The Warsaw PZPR organization has more than 137,000 party members and candidate members who are grouped together in more than 3,000 primary party organizations. Last year 3,000 candidate members were admitted into the party (1,000 more over

1984), but only 785 primary party organizations were involved in their recruitment. There are party organizations--and some are in workplaces that are far from small--which did not admit a single candidate during this period. The number of workers in the party--we read in the report--is also unsatisfactory. Even in such typically workers' districts as Wola and southern and northern Praga, workers comprise only 25-35 percent of those admitted into the party as candidate members. The report provides examples of active party organizations and of party organizations whose work leaves a lot to be desired. An obvious conclusion can be drawn from this--building the party must be the concern of all its members. The report also draws attention to individual party tasks and to the work of party groups whose activeness has declined somewhat.

In the section of the report dealing with trade unions, it is stressed that party members comprise barely 60 percent of union membership in the voivodship. The presence of party members in the trade union movement should--stresses the report--provide confirmation of the continuity of the party line with regard to trade unions, which is that the party is an ally and partner of the trade union movement in the struggle to satisfy the needs of working people and that it defends the independence of the movement and adherence to the principle of self-government.

Much space in the report was devoted to living and working conditions in the city and voivodship. The attention of the capital's political and administrative political authorities always has been and always will be focused on finding ways of improving these conditions. Nevertheless, there is a need for a further definite improvement to be made to the situation. Improvements are needed in the operation of all the services provided by the city: transportation, the supply of water, the provision of heating, trade, public order, and medical care, education, and culture.

Despite the selflessness displayed by a certain section of the employees working in these areas of the city's life, the quality of their work continues to arouse public criticism. Undoubtedly one cause of this criticism is the progressive decline in the condition of municipal facilities. But one also knows of cases of a lack of responsibility on the part of representatives of the administration and management cadres who run public services creating additional difficulties in the living conditions of the city's inhabitants, who are already wearied by the difficulties they encounter in everyday life. Those who are guilty of such actions are frequently castigated publicly but what do party organizations do in these instances? After all, party organizations should assess the quality of work in its undertakings for the good of the city in daily practice, and they should, above all, take stock of their activities in this field and be judged by party cells.

The report also sets out the key socioeconomic issues for the capital and voivodship over the coming years. These include:

--Ensuring that the necessary technical conditions exist for the proper functioning of the agglomeration, entails solving problems connected with the water supply, the construction of sewers, the expansion of the trade and services infrastructure (including the construction of a bakery).

--Improving housing conditions and the supply of essential services in residential areas.

--Creating an efficient public transportation system; this entails the construction of the first stage of the metro, and the expansion of the bus, tram, and trolley-bus networks.

--Developing the production base for agriculture and the food industry in order to improve the supply of foodstuffs to the population.

The report also stresses the role and tasks of the Warsaw party organization during the period of preparations for the 10th PZPR Congress. It is a matter of great importance to promote widespread interest in the contents of the party program and the issues that will be raised at the congress.

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POLITICS POLAND

JARUZELSKI, GROMYKO EXCHANGE AWARD SPEECHES

AU041449 Warsaw TRYBUNA LUDU in Polish 28 Feb 86 pp 1, 3

[Exchange of speeches by PZPR First Secretary Wojciech Jaruzelski and USSR Supreme Soviet Presidium Chairman Andrey Gromyko during the 27 February presentation of the Grand Cross of the Order of Polonia Restituta to the latter at the Polish Embassy in Moscow]

[Text] W. Jaruzelski: Comrade Gromyko, you have been an active participant in the construction of the postwar territorial and political order in Europe and an architect of a phase of peaceful coexistence. You were in Yalta, Potsdam, and San Francisco. In those distant days, which always seem not very far from us, you conceived a cordial and far-reaching attitude toward Polish affairs and toward socialist snd sovereign Poland's territorial integrity. Bearing in mind the struggles and sufferings of the European peoples, you have always opposed consistently and resolutely any attempt to undermine the World War II results, for which the Soviet and Polish people paid such an incalculable price.

On behalf of the PZPR Central Committee and PPR highest authorities, W. Jaruzelski extended to A. Gromyko expressions of great esteem and wishes for a long life and fruitful work for the CPSU and the Soviet State and people.

A. Gromyko: Offering his cordial thanks for the honor of the award, A. Gromyko said among other things: The order I have just received is not only a recognition of my modest services, but above all a high evaluation of the policy followed by our Leninist Party and the soviet states, the friendship between our peoples has deep roots. Our common dedication to Marxist Leninism and the unity between the PZPR and the CPSU as well as between the USSR and People's Poland on international questions is a guarantee that this friendship will continue to intensify.

A. Gromyko also stressed the importance of Poland's support for the Soviet Union's peace initiatives. Our country highly values Poland's activities to strengthen the Warsaw Pact and its contribution to the coordinated foreign policy of the fraternal countries and to our common struggle for the peace and security of nations, he said.

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U.S., SOUTH KOREAN MANEUVERS VIEWED AS THREAT

AU031153 Warsaw ZOLNIERZ WOLNOSCI in Polish 1-2 Mar 86 p 7

[Major Jerzy Markowski: "Maneuvers of Anxiety"]

[Text] For many years the Korean Peninsula has been an arena of confrontation and an exceptionally volatile hotbed of war, posing the danger of a hecatomb which would involve at least the region. The dangerous "war games" that have been held in an American-South Korean version since 10 February clearly show who is in favor of escalating warlike measures in this part of the world. The maneuvers codenamed "Team Spirit-86," for these are the subject, are causing not only anxiety but also a real threat.

For let us realize that over 200,000 crack soldiers have been billeted in a realtively small area, whereas the bloody aggression against the North in June 1950 was started with only half this number of soldiers. The organizers of this military demonstration in Seoul and Washington are making no effort to hide the fact that the exercises possess a clearly offensive nature, aimed at the DPRK. After all, it is difficult to conceal the types of forces participating in the maneuvers and using the most modern military materiel designed to wage nuclear war. Parachute descents, the overcoming of water obstacles, activity by special units--these are only some of the features of this year's extensive "Team Spirit" scenario. The aircraft carrier "Enterprise," flagship of the U.S. 7th Fleet; F-15 and F-16 aircraft capable of carrying nuclear weapons; various kinds of tactical missiles; howitzers; and M-60 tanks;--this is the materiel being used in the war rehearsals.

In addition, the Americans are moving to the Korean Peninsual the Third Marine Division from Okinawa, the 7th Infantry Division from California, and the 25th Division permanently based in Hawaii. It is not by coincidence that these units have been chosen. After all, former soldiers belonging to them "distinguished" themselves in the terrible Korean War in 1950. Can it be that their successors are being prepared to continue their work? It looks like it, especially because the scenario of the exercises foresees a forcing of the demarcation line and an advance on the North. Most of the units have also been deployed along the 38th parallel. The flagship of the 7th Fleet, from which the maneuvers are being directed, has been anchored in Inchon, which was also a strategic point in the last war. This, together with the deployment of combat aircraft from the 8th and 18th Tactical Air Squadrons or the 376th Squadron, has been carefuly planned. There is no question of routine training. Instead, the soldiers are being shown the real conditions of the sites of potential combat operations.

General Wheecham, one time chief of the General Staff of the American land forces, once said that the "Team Spirit" maneuvers have shown that one can wage an undeclared war in Korea. Are this year's maneuvers meant to confirm and perpetuate this view? Everything indicates that the answer is yes, because every year the "Team Spirit" maneuvers are being perfected with this objective in mind. If there were 46,000 people taking part in the first of these series of exercises in 1976, today that figure is already over 200,000.

"Team Spirit-86" is also different from past exercises because of the size of operations, the types of weapons used, tactical objectives, and the location of combat areas directly near the fragile demarcation line. During the past 2 weeks, U.S. reconnaissance aircraft have violated DPRK airspace as much as 19 times. I do not suppose anyone needs convincing as to the possible outcome of such incidents when, at the same time, there is a 200,000-strong army concentrated in the starting positions of the "Team Spirit" maneuvers.

In the light of this, one can quite understand the DPRK's protests and aims to stop these maneuvers of anxiety which are causing a further growth in tension, enhancing a lack of confidence, and torpedoing the possibilities of peaceful dialogue in this part of the world. Pyongyang's peace efforts have encountered support from the whole of the world's progressive public opinion. The DPRK's statement on halting all military maneuvers and exercises on its territory as of 1 February has met with clear apporval. This was not merely a gesture of good will, but a constructive basis on which to build the structure of peace and security, if only the United States and South Korea follow this example. The "Team Spirit" maneuvers have buried these hopes. And all the responsibility for the antipeace activities in the Korean Peninsula and for escalating tension and war preparations falls on the shoulders of the organizers of these maneuvers. For any objectively thinking person will notice in whose interests it lies to maintain a dangerous hotbed of tension and exacerbate it. The "Team Spirit-86" maneuvers do not serve a good cause. Instead they serve hegemonistic U.S. goals, the perpetuation of the U.S. presence in this region, and the continuation of destabilization. The Korean War and aggression against the DPRK 36 years ago were also preceded by make-believe manuevers....

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MESSNER MEETS LEGISLATIVE COUNCIL OFFICIALS

LD072158 Warsaw PAP in English 2017 GMT 7 Mar 86

[Text] Warsaw, 7 March--Prime Minister Zbigniew Messner met today with members of the Presidium of the Legislative Council who conveyed to him a report on the state of law.

The Legislative Council is a social advisory body [word indistinct] the prime minister which groups 40 eminent lawyers and cooperates with 60 scientists representing all university centres in Poland.

The 200-page report, and 7 volumes devoted to the separate domains of law which accompany it, have been prepared by the Legislative Council over the past 18 months and contains synthetic information about the state of the currently binding law and formulates directions of its improvement.

Thanking the Legislative Council's Presidium for the work on the report, the prime minister stressed [words indistinct] very helpful in preparing the government's programme of legislative work for the near and more distant future.

Premier Messner also thanked Professor Zylwester Zawadzki, the hitherto chairman of the Legislative Council who resigned because of his nomination to the Council of State, for his work, and handed the nomination act to the council's new Chairman Professor Zbigniew Radwanski of the Adam Mickiewicz University in Posnan.

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PZPR PROVINCIAL, REGIONAL COMMITTEES MEET

Krosno Plenum on Agricultural Needs

Warsaw RZECZPOSPOLITA in Polish 13 Dec 85 p 2

[Text] The PZPR KW Plenum held on 12 December in Krosno was devoted to an assessment of the current situation in agriculture and the food economy in Krosno Province in light of the resolutions of the 11th PZPR CC and ZSL NK Plenum.

It was determined that in order to achieve an increase in farm production in all of its fields, land reclamation must continue, agricultural and rural water supply must improve and better living conditions must be created for rural communities through the development of health clinics and the educational-cultural and sports-recreational base.

Chelm Plenum on Party Organization

Warsaw RZECZPOSPOLITA in Polish 13 Dec 85 p 2

[Text] The PZPR KW Plenum held on 12 December in Chelm was devoted to an examination of the major directions of socioeconomic development from 1986 through 1990 and to the specification of the tasks of party echelons and organizations in implementing these directions of development.

The resolution that was passed binds party echelons and organizations to inspire and create a broad social front for implementing the tasks of the next five-year plan.

Lublin Plenum on Ideology

Warsaw TRYBUNA LUDU in Polish 16 Dec 85 p 2

[Article by Ryszard Wolak; first paragraph is TRYBUNA LUDU introduction]

[Excerpts] (Own Information) In spite of the fact that the plenary meeting of the PZPR Provincial Committee in Lublin that took place on 14 December under the chairmanship of KW Secretary Tadeusz Borszynski was to be fairly limited in subject matter due to the 30th anniversary of the Lublin WUML, it became an opportunity for exchanging views on ideological-upbringing issues in general.

It was emphasized during the deliberations that the level and effectiveness of ideological work in each party element has a marked influence on the state of the entire party, on its ideopolitical cohesiveness.

Recently a fundamental current of the ideopolitical and organizational work of the provincial party organization has been related to the PRL Sejm elections campaign.

In assessing the elections as a victory of the front for national understanding, we may note that in the Lublin Province, the Evening University of Marxism-Leninism has played an important part here by contributing to the training of a large group of party activists in youth organizations, political parties and the nonparty aktiv.

During this academic year, in order to prepare the party aktiv for working more effectively during the period preceding the 10th PZPR Congress, Marxism-Leninism study groups have been set up to accompany the many forms of training already in existence. Seventy such groups have begun operation. In this way, the party will contribute to resolving the growing problems facing society and the workers' communities in particular and will gain society's support for its own program. The tendency for more and more workers to enter the PZPR already is evident. In 1984, the POP's accepted 328 workers and 85 peasants, while over the course of 11 months in 1985, they accepted 454 workers and 110 peasants.

In the resolution passed by the KW defining the future tasks of ideological work and in the implementation of the resolutions of the 13th PZPR CC Plenum preceding the 10th Party Congress, it is recognized as necessary to continue to increase the importance of WUML in the system of ideopolitical education, to make better use of its graduates and to improve the operation of the institution so that studies programs and its other forms of operation are related closely to the needs of the practical work of the provincial party organization.

Przemysl Plenum on Training

Warsaw TRYBUNA LUDU in Polish 16 Dec 85 p 2

[Article by Jan Miszczak; first paragraph is TRYBUNA LUDU introduction]

[Excerpts] The PZPR KW Plenum held on 14 December in Przemysl was devoted to party tasks in creating a society-wide front for aiding schools in educating and training young people.

It was noted that the movement for the renewal of our sociopolitical and economic life laid out at the Ninth Party Congress likewise is linked with a new approach to the problems of education and upbringing and to giving them their proper place in the hierarchy of social values.

It was emphasized that the school must be an institution that trains people for life and work, properly developing character and patriotic attitudes.

However, schools continue to battle with many problems that are not merely local in scope. The lack of textbooks is well known; the overly inclusive and difficult program is criticized; the frequent sketchiness of its implementation is viewed negatively since it leaves little time for forming the personality of the student, his moral attitudes, respect for work and the like. The party must help to resolve these growing problems. A program also must be prepared for the secular education of the entire society so that this duty does not fall exclusively upon the school. A proposal was made for creating a PZPR KW team for issues related to layman's affairs.

Siedlce Plenum on Local Party Structure

Warsaw RZECZPOSPOLITA in Polish 17 Dec 85 p 2

[Text] The PZPR KW Plenum held on 16 December in Siedlce was devoted to problems of the effectiveness of the political-organizational activities of the provincial party organization in light of the resolutions of the Ninth PZPR CC Plenum. Participants in the deliberations included: candidate member of the Politburo, PZPR CC Secretary Wlodzimierz Mokrzyszczak and Deputy Prosecutor General Hipolit Starszak.

Gdansk Plenum on Internal Party Structure

Warsaw RZECZPOSPOLITA in Polish 17 Dec 85 p 2

[Text] The assessment of the state of the Gdansk Provincial Party Organization, the definition of tasks for its future development and a discussion of the most important questions of intraparty work at the present time--these were the topics discussed at the PZPR KW Plenum held on 16 December in Gdansk. The deliberations were chaired by Politburo candidate member, PZPR KW First Secretary Stanislaw Bejger.

Kielce Plenum on Ideological Training

Warsaw RZECZPOSPOLITA in Polish 17 Dec 85 p 2

[Text] On 16 December, the provincial party echelon of the Swietokrzyski region held a plenary meeting to assess the ideological work in the Kielce region and the future directions of its development.

Plock PZPR, ZSL Joint Plenum

Warsaw RZECZPOSPOLITA in Polish 17 Dec 85 p 2

[Text] The PZPR and ZSL Provincial Committees in Plock met on 16 December at a joint plenary meeting devoted to the directions of development of the raw materials base and the agricultural-food industry in the region through 1990.

Various Provincial Committees Meet

Warsaw TRYBUNA LUDU in Polish 19 Dec 85 p 1

[Article by: jak]

[Text] (Own Information) On Wednesday, PZPR provincial committees held plenary meetings at Jelenia Gora, Rzeszow, Walbrzych and Wroclaw. On that same day in Sieradz, the PZPR KW and the ZSL WK deliberated at a joint plenum.

--in Jelenia Gora, an assessment was made of the course of the Sejm elections campaign and the implementation of recommendations made by residents of the region at pre-elections meetings;
--in Sieradz, the state of implementation of the resolution of the joint PZPR CC and ZSL NK Plenum was discussed;
--in Rzeszow, the directions of socioeconomic development of the province from 1986-1990 and party tasks in implementing the plan for next year were discussed;
--in Walbrzych, the protection of the natural environment in the province was discussed;
--in Wroclaw, an assessment was made of the implementation of the recommendations of the 16th PZPR CC Plenum.

Konin Plenum Focus on Ideological Work

Warsaw TRYBUNA LUDU in Polish 20 Dec 85 pp 1, 2

[Article by Ryszard Slawinski]

[Text] (Own Information) "Towards the further intensification and expansion of the ideological-upbringing work of the provincial party organization"--this was the subject of the plenary meeting of the Konin PZPR Provincial Committee. The administrators and employees of cultural and educational institutions took part in the deliberations. The meeting was chaired by PZPR KW First Secretary Lech Ciupa.

During the discussion, Andrzej Zjezdzalka from Pyzdry pointed out that we know of circles of people that we can influence ideologically, but there is not a large enough cadre to implement this influence. This shortage is felt especially sharply in rural areas. The speaker spoke with concern of the almost total abandonment of ideological-upbringing work in higher schools.

Tadeusz Sliwinski, director of the Metallurgical Schools Group in Konin, expressed concern regarding the low level of preparedness of teachers conducting classes in sociology, religion and sometimes even history. He noted the activation of church activities among young people. He suggested that young people should be invited more often to the Provincial Committee building for discussion and persuasion purposes. There is just too little contact and conversation going on. Marian Pietraszewski, education and upbringing superintendent, reported that as much as one-third of the teachers in the Konin Province lack professional qualifications. Intensive work is being done with them to improve their professional and ideological qualifications. He said that despite many problems, a unified upbringing front is being rebuilt. Following a period of inactivity, plants are becoming more active in cooperating with the school.

Other speakers also stressed that within the framework of the National School Assistance Action, aid should be given not only in the form of building and expanding the base, but also in the area of developing an upbringing and ideological model of the school.

In the resolution that was passed, the plenum expressed the need for party members and primary party elements to take the offensive in molding pro-socialist attitudes, the need to oppose enemy activities that conflict with the interests of society and the state.

The resolution approved the creation of the PZPR Teaching Community Committee that was established on 14 December 1985.

Committees on Need for Stronger Party

Warsaw TRYBUNA LUDU in Polish 19 Dec 85 p 5

[Text] At the regional center for party work in Otwock, on 18 December, members of the executive boards of PZPR city and city-gmina committees in Otwock, Sulejowek, Wesola, Jozefow, Karczew, Celestynow, Kalinow and Wiazowna gathered together for a meeting. The meeting was devoted to increasing the political-organizational effectiveness of party activities and to preparations for the 10th PZPR Congress in light of the resolutions of the 20th PZPR CC Plenum. During the discussion, major emphasis was placed on the tasks and role of POP's in the plant and in the strengthening of party ranks. The most important problem currently facing plant party echelons was found to be their execution of an assessment of the sociopolitical situation in their own plants.

During the meeting, cooperation between party echelons and trade unions and social organizations, including youth organizations, also was discussed. The latter in particular has not been successful everywhere. This emanates from the weakness of some gmina and city ZSMP elements and from the insufficient commitment of youth to social ends. Therefore, the need for party members to aid ZSMP elements also was emphasized.

PZPR CC Politburo member Albin Siwak, who took part in the meeting, stated that in the current political-economic situation, party members are faced with especially difficult and responsible tasks. He stressed the problems of social justice. He likewise presented problems arising in the work of the health service and housing construction.

Lodz Plenum on Social, Economic Plans

Warsaw TRYBUNA LUDU in Polish 28-29 Dec 85 pp 1, 2

[Article by Jan A. Kraszewski]

[Excerpts] On 27 December, the PZPR Lodz Committee held a plenum commencing extensive social discussion on the assumptions of the provincial socioeconomic plan for 1986.

The deliberations were chaired by CC Politburo member Tadeusz Czechowicz, first secretary of the provincial party echelon. Participants included members of the party team of Lodz People's Council council members and representatives of trade unions.

The discussion opened with an address given by Jaroslaw Pietrzyk, KL secretary. He focused on the most important problems to be resolved during the coming year. These include: housing construction, repairs to old homes managed by municipal authorities and the improvement of the educational and health services base.

Mieczyslaw Berwinski, PRL Sejm deputy and chairman of the Lodz People's Council, stressed the importance of the socialization of the planning process in all fields of social and economic life. With regard to this issue, Comrade Alfred Lutrzykowski expressed his concern over the delayed submission of the draft plans for next year. He said that due to this it is feared that Lodz People's Council council members will not have time to make a thorough analysis of basic documents.

During the second half of the meeting, the PZPR KL Plenum examined organizational matters.

Warsaw Committee, Audit Commission Meet

Warsaw TRYBUNA LUDU in Polish 28-29 Dec 85 p 8

[Text] On 27 December, a joint meeting of the PZPR Warsaw Committee Secretariat and the Warsaw Audit Commission Presidium was held. The deliberations were chaired by KW First Secretary Janusz Kubasiewicz. Kazimierz Morawski, PZPR CKR chairman, took part.

The discussion, that was prefaced by a report of WKR Chairman Ludwik Rzewuski, covered the results of checks and audits made by the WKR in 1985 and the tasks of auditing elements at all levels in 1986. It was stressed that all tasks embarked upon in this period will be part of a massive campaign preceding the coming 10th PZPR Congress for developing ranks and strengthening party elements.

Pila Plenum Notes Increased Party Numbers

Warsaw TRYBUNA LUDU in Polish 30 Dec 85 pp 1, 2

[Article by Wladyslaw Wrzask]

[Text] (Own Information) The plenary meeting of the PZPR Provincial Committee in Pila was devoted to an assessment of the implementation of the resolutions of the Ninth Extraordinary PZPR Congress in the Pila Province and to the tasks of party echelons and organizations in making preparations for the 10th Congress.

The point of departure for discussion in four working groups was the KW executive board report assessing the effectiveness of the work of the provincial party organization during the period following the Ninth Congress. The report also discussed in detail the work of the party throughout 1985, now coming to a close.

Over the course of 11 months in 1985, 797 candidate members were accepted into party ranks in Pila, or 42.2 percent more than during the same period in 1984. The majority of the new members are workers. The activism, the mobility and the scope of the work of primary party elements increased considerably. A vital achievement is the action taken by these elements on the most important issues and problems of the communities in which they operate. Considerable progress likewise was noted during the period in the implementation of party resolutions.

Due to party actions, the elements of authority and all forms of participation of society in exercising authority were strengthened.

The Provincial Committee approved the report that was submitted on the implementation of PZPR Ninth Congress resolutions. All party echelons and organizations were obliged to make a similar assessment and to suggest possible comments, additions and recommendations for the accepted report. The program of work adopted for the near future states that the Pila Provincial Party Organization will embark upon activities slated towards developing party ranks, deepening forms of ideological training and making them more attractive and expanding methods of social consultation.

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BRIEFS

GDR UNIONISTS AT 'URSUS'--The following topics were discussed at a meeting of a FDGB delegation from GDR with unionists from the Machinery Plants 'URSUS': participation of workforce in enterprise management and union's actions to improve productivity and working conditions of workforce. Participating in the meeting with the GDR delegation consisting of nine members and led by Harry Tisch, Central Committee SED Politburo member and FDGB Central Board chairman, were Alfred Miodowicz, chairman, OPZZ, Wlodzimierz Lubanski, chairman of the Trade Unions Federation 'Metalowcy' [Metal Workers], and 'URSUS' management. The GDR delegation also met with representatives of the Warsaw Trade Unions League. [Text] [Warsaw ZYCIE WARSZAWY in Polish 29 Nov 85 p 2] 12607/7687

TECHNOLOGY MEETING AT COUNCIL OF MINISTERS--A meeting was held on 28 November 1985 by the Committee for Science and Technology at the Council of Ministers. During the discussion led by Deputy Premier Zbigniew Szalajda, a draft of the 1986-1990 National Socioeconomic Plan was analyzed with respect to its science and technology aspects. A two day plenary meeting of the Main Council of Science and Higher Education was held at the Warsaw Polytechnical School on 28 November 1985, the last in its first term that is ending now. Election of the Council members for the second term was reviewed. The Council refused to support a proposal to offer assistant-professorship to applicants without habilitation. The 7th Conference of the Polish Society for Political Sciences began on November 28, 1985 in Przysiek near Torun. During the opening ceremony, for the first time annual scientific awards for the whole scientific output were granted. The recipients were Professor Arthur Bodnar, Professor Jerzy Muszynski, and Professor Longin Pastusiak. Worth activists of the society were honored with state orders. Among others, Professor Kazimierz Podoski and Dr. Wiktor Pianowski were decorated with the Officer's Cross of the Order of Polonia Restituta and Professor Longin Pastusiak with the Knight's Cross of the Order of Polonia Restituta. [Text] [Warsaw TRYBUNA LUDU in Polish 29 Nov 85 p 5] 12607/7687

DEPUTY PREMIER AT AGRICULTURAL NEWSPAPER--Deputy Premier Jozef Koziol met on 28 November 1985 with editors of the weekly GROMADA - ROLNIK POLSKI [COMMUNITY - POLISH FARMER]. He reviewed the implementation of agricultural policies put forward by the PZPR and ZSL. [Text] [Warsaw TRYBUNA LUDU in Polish 29 Nov 85 p 5] 12607/7687

AMBASSADOR TO URUGUAY NAMED--Montevideo (PAP)--Witold Dynowski, new Polish Ambassador to Uruguay presented Uruguay's President Julio Mario Sanguinetti with his credentials. During a private meeting, President Sanguinetti stated that Uruguay is interested in developing multilateral cooperation with Poland. [Text] [Warsaw TRYBUNA LUDU in Polish 29 Nov 85 p 7] 12607/7687

FARM PROBLEMS DISCUSSED IN ELBLAG--PZPR Central Committee Secretary Zbigniew Michalek and ZSL Chief Committee Secretary Kazimierz Olesiak took part in a joint plenary meeting of PZPR Provincial Committee and ZSL Provincial Committee in Elblag that discussed crucial problems of agriculture in the region. [Text] [Warsaw ZYCIE WARSZAWY in Polish 30 Nov - 1 Dec 85 p 2] 12607/7687

PRON, JOURNALISTS CLUB MEETING--Jan Dobraczynski, PRON National Council chairman, met with representatives of the Club of Journalism of Philosophy of Life at the Association of Journalists of the Polish People's Republic. Boguslaw Czarminski, the Club's chairman, was present at the meeting. The club founded in May 1985 under the auspices of the Main Administration of the Association of Journalists of the Polish People's Republic (SPDRL) consists of ca. 50 journalists of different philosophies of life, a numerous group of journalists unaffiliated with the SDPRL as well as scientists and social activists. The chairman of PRON Chief Council acquainted himself with the club's program pointing out that the very existence of the club is an exemplification of the process of national rebirth and that the implementation of its program will contribute to national agreement and widen the sphere of PRON's influence. [Text] [Warsaw ZYCIE WARSZAWY in Polish 30 Nov - 1 Dec 85 p 2] 12607/7687

JOURNALISTS HOST TALK ON ADDICTION--The number of drug addicts in our country is estimated to be ca. 200,000. The majority of them are under 25. Unfortunately, the number of drug addicts rises. More and more often, children under 10 reach for intoxicants. The results of research done last year among the Warsaw drug population by the Warsaw Office of Internal Affairs were presented in Warsaw at a meeting of journalists and representatives of jurisdiction, health maintenance organizations and organizations combating drug addiction. The meeting was organized by SDPRL's Club of Social and Legal Journalists and editors of the journal CZLOWIEK I SWIATOPOGLAD. Ways of making mass media more effective in the campaign against drug addiction were discussed. [Summary of PAP dispatch] [Text] [Warsaw ZYCIE WARSZAWY in Polish 30 Nov - 1 Dec 85 p 2] 12607/7687

STUDENT MOVEMENT HOSTED IN WROCLAW--The Wroclaw Polytechnical School hosted a jubilee meeting to celebrate the 40th anniversary of the Wroclaw university student movement. Several generations of alumni met who are now professors and outstanding specialists in various spheres of social and economic life. Participating in the meeting was Politburo Member, PZPR Central Committee Secretary Tadeusz Porebski. Fifty-four of the most worthy representatives of several generations of youth organization activists were decorated with golden and silver Janek Krasicki Badges, which were handed by Jerzy Szmajdzinski, chairman of the Main Administration of the Union of Polish Youth.

Present were members of the "Polish Academics Association in Germany". Lutoslawa Malczewska and Adolf Wawrzok were decorated with Golden Badges of Merit for the City of Wroclaw and the Wroclaw Province. Twelve university youth organization activists were handed Party tickets and admitted as Party candidates respectively. [Text] [Warsaw TRYBUNA LUDU in Polish 30 Dec - 1 Dec 85 p 7] 12607/7687

POLITICAL SCIENTISTS MEET IN TORUN--Concurrent with the 27th Conference of the Polish Society for Political Sciences was a political science session that discussed the external and domestic conditions on Poland's political growth. The subject of discussion and analysis by political scientists were that, according to scientific forecasts, will play the most crucial role the coming years in bringing about the stability and growth of the country as well as strengthening of its position on the international forum. A new leadership of the Society was elected. Prof Dr Longin Pastusiak from Warsaw was elected chairman of the Society's Main Administration. Participating in the session and the conference was Head of PZPR Central Committee Science Department Prof Bronislaw Ratus. [Text] [Warsaw TRYBUNA LUDU in Polish 30 Nov - 1 Dec 85 p 7] 12607/7687

LAWYERS SOCIETY CONFERENCE--A meeting of delegates for the 11th National Conference of the Association of Polish Lawyers (ZPP) began in Warsaw. A mid-term review was made of the Association's activities and output. Discussion topics included ZPP's participation in law-making and law application, in shaping the society's awareness of law and its legal culture, and in inspiring legal steps to strengthen law and order. [Text] [Warsaw TRYBUNA LUDU in Polish 30 Nov - 1 Dec 85 p 7] 12607/7687

HUNGARIAN CC DELEGATION VISITS--A delegation of MSZMP Central Committee visited Poland on 25-29 November 1985. Following were the members of the delegation: MSZMP Central Committee Secretary and Somogy Provincial Committee First Secretary Imre Klenovics; Peter Kovacs, head of a sector in MSZMP Central Committee Party & Social Organizations Department; Gyula Knizse, secretary of MSZMP Fejer Provincial Committee; and Andras Levai, functionary in MSZMP Central Committee Party & Social Organizations Department. The delegation met with the leadership of PZPR Central Committee Political & Organizational Department and acquainted itself with work of party organizations in Gdansk and Bydgoszcz Provinces. During the talks, the delegation acquainted itself with forms, methods and style of work of PZPR organizations. Views were exchanged on the role of PZPR and MSZMP local organization in the process of implementation of resolutions of PZPR AND MSZMP Central Committees and National Conferences respectively. Finally, the delegation was received by deputy Politburo member, PZPR Central Committee Secretary Wlodzimierz Mokrzyszczak. Participating in the meeting were Kazimierz Cypryniak, chairman of PZPR Central Committee Political & Organizational Department, and Hungarian Ambassador Gyoergi Biczo. [Text] [Warsaw TRYBUNA LUDU in Polish 30 Nov - 1 Dec 85 p 2] 12607/7687

GDR CC AGRICULTURAL DELEGATION VISITS--Upon the invitation of PZPR Central Committee, a working delegation of SED Central Committee visited Poland on

26-30 November 1985. The delegation was led by Heinz Drescher, deputy chairman of SED Central Committee Agricultural Department. It visited the following provinces: Lomza, Bialystok, and Suwalki, where it acquainted itself with work of party cells in food processing plants and prospects for this branch of industry. The GDR guests met with Stefan Zawodzinski, head of PZPR Central Committee Agricultural Department. The delegation was also received by Central Committee Secretary Zbigniew Michalek. Deputy Premier Zbigniew Szalajda received on November 29, 1985 the leadership of the Federation of Trade Unions of Aviation and Engine-Building Industry Employees led by its chairman Stanislaw Janas. Functioning of enterprises of the branches of industry represented by the Federation under the economic reform was discussed. [Text] [Warsaw TRYBUNA LUDU in Polish 30 Nov - 1 Dec 85 p 2] 12607/7687

COASTAL SD GROUPS MEET--A meeting of the SD Provincial Committees' presidia from coastal provinces was held on 30 November 1985 in Gdansk. The discussion was focused on a natural environment protection plan for the coastal region for the period of up to 1990. A favorite opinion was expressed about the implementation of a similar plan approved a year ago. During the meeting, a common stand was arrived at to the effect that there is a need to properly coordinate the implementation of the last year's plan and to awake the society's awareness of ecological problems. Participating in the meeting were SD Central Committee Chairman Tadeusz Witold Mlynczak and Minister of Environment Protection and Natural Resources Stefan Jarzebski. PRON National Council Secretary General Jerzy Jaskiernia met in Soczewka near Plock with activists of the Polish University Student Union (ZSP). He informed them about the present situation and prospects of national agreement in Poland. Also, he answered numerous questions about the political situation after the Sejm elections. It was pointed out in the discussion that members of ZSP, which participates in PRON, should be more active in stimulating intellectual circles to solve the most grave challenges of our times that our country faces now. [Text] [Warsaw RZECZPOSPOLITA in Polish 2 Dec 85 p 2] 12607/7687

RUSSIAN LANGUAGE TEACHERS MEETING--A meeting of Russian language university teachers was held at the Academy of Economics yesterday to discuss problems of teaching Russian at Cracow university-type schools. It was organized by the Cracow Administration of the Society of Polish-Soviet Friendship (TPPR). Invited to the meeting were also chairmen of TPPR college committees and members of TPPR Cracow Administration Academic Committee. The goal of the meeting was to develop most effective teaching methods that would allow to master the language relatively fast. TPPR's main goals and guidelines for work in academic circles were also discussed. Participating in the meeting were, among others, TPPR Main Administration Secretary Boleslaw Borysiuk; Konstantin Sidorenko, vice director of the Warsaw branch of the Alexander Pushkin Institute of the Russian Language; TPPR Cracow Administration Secretary Jerzy Lubas; and Wladyslaw Zajezierski, head of PZPR Cracow Committee Science & Education Department. [Text] [Cracow GAZETA KRAKOWSKA in Polish 25 Oct 85 p 6] 12607/7687

AMBASSADOR TO NORTH KOREA RECEIVED--Pyongyang, 3 Feb--Polish Ambassador to the Democratic People's Republic of Korea Mieczyslaw Dedo presented his credentials here Saturday to President of DPRK Kim Il-Song. After the ceremony, the president received the Polish ambassador at a private audience. The sides stressed the will for further comprehensive development of relations between the two states. [Text] [Warsaw PAP in English 2021 GMT 3 Feb 86 LD] /12232

MESSNER RETURNS FROM CONGRESS--Zbigniew Messner, a member of the Polish delegation to the 27th CPSU Congress, returned to Warsaw this evening. [Text] [Warsaw Domestic SErvice in Polish 2200 GMT 3 Mar 86 LD] /12232

POREBSKI ADDRESSES SCIENCE CONGRESS--Warsaw, 6 March: The PUWP treats the congress with utmost attention and attaches great importance to it, Political Bureau member and CC secretary Tadeusz Porebski told the ongoing Congress of Polish Science here today. He said the congress was being held in a particularly crucial time for Poland as the country is facing an urgent need to map out its development strategy for the nearest several years. This will be the job of the upcoming 10th Congress of the party. The assumptions of the strategy will take into account the work of many fields of science and will be based on them to a significant extent, Porebski said, noting that it had been reflected in the draft programme of the PUWP presented to broad public debate. We see the Science Congress' debate as one of the most important voices in the discussion preceding the congress of the party, Porebski said. [Text] [Warsaw PAP in English 1412 GMT 6 Mar 86 LD] /12232

JARUZELSKI-LED DELEGATION RETURNS--The CPSU Central Committee gave a reception at the Kremlin in honor of the foreign guests who had taken part in the 27th Congress proceedings. At the reception, Mikhail Gorbachev gave a speech, and Tudor Zhivkov, on behalf of the guests, gave thanks for the invitations and the warm hospitality. In the afternoon, the PZPR Delegation to the 27th CPSU Congress, led by Wojciech Jaruzelski, made the return journey home. The Polish guests were seen off from Moscow Vnukovo Airport by Yegor Ligachev and Lev Zaykov, members of the Politburo and secretaries of the CPSU Central Committee. [Text] [Warsaw Domestic Service in Polish 1600 GMT 6 Mar 86 LD] /12232

MESSNER CHAIRS PRESIDIUM SESSION--The government Presidium has held a meeting in which preparations for spring work in agriculture were discussed and assessments of the situation in animal husbandry were made. The meeting was chaired by Premier Zbigniew Messner, and was attended by Sejm deputies; members of the Presidium of the Commission of Agriculture, Forestry and Food Economy; members of the Presidium of the National Union of Farmers and Rural Circles and Organizations; members of the leadership of the National Association of State Farm Enterprises; the Central Union of Agricultural Cooperatives; the Central Union of Peasant Self-Assistance Cooperatives; the Horticultural and Apiarian Union Cooperatives; and Central Union of Dairy Cooperatives. The government Presidium adopted the presented materials and made the appropriate decisions. [Text] [Warsaw Television Service in Polish 1620 GMT 6 Mar 86 LD] /12232

CZYREK ON CPSU CONGRESS--A press conference was held in the party's Central Committee shortly after the PZPR delegation's return from Moscow. Taking part were members of the delegation to the 27th CPSU Congress, Jozef Czyrek and Jerzy Romanik. Referring to this important event in the life of the Soviet nation, of the whole socialist community, Jozef Czyrek emphasized the historic significance of the Soviet communists' congress. He spoke of the significant enrichment of theoretical and practical achievements in the work of socialist construction. The decisions made during the congress accept the need for an acceleration of the socioeconomic development of the land of the Soviets. Much attention was paid to the shaping of new human attitudes, to the need for unhampered discussion about everything which hurts and hinders the fulfillment of the defined aims. Participants at the congress, in the names of their parties, organizations, fully approved the program, which is the fruit of often controversial discussions. The meeting was chaired by Jan Glowczyk. [No video available] [Text] [Warsaw Television Service in Polish 1830 GMT 6 Mar 86 LD] /12232

JARUZELSKI, MESSNER AT SCIENCE CONGRESS--Warsaw, 7 March--After the plenary discussion, the participants at the Third Polish Science Congress started to work on its final documents, that is a general resolution and a statement. This part of debates is attended by the president of the Council of State, Wojciech Jaruzelski. Present are Premier Zbigniew Messner and Sejm (parliament) speaker Roman Malinowski. [Text] [Warsaw PAP in English 1717 GMT 7 Mar 86 LD] /12232

JARUZELSKI, MESSNER MEET SCIENTISTS--A group of scholars participating in the Congress of Polish Science had a meeting last night in the Belweder Palace with Wojciech Jaruzelski, chairman of the Council of State. He said that the political and state leadership is very concerned about getting authentic and honest appraisals of the state of science and its capabilities. The congress created opportunity for that. The meeting, which lasted almost 4 hours and ended late at night, was attended by Premier Zbigniew Messner. [Text] [Warsaw Domestic Service in Polish 0600 GMT 8 Mar 86 LD] /12232

MESSNER ADDRESSES KRAKOW COMMITTEE--The efforts of scientists must be focused on solving problems of the economy, said Zbigniew Messner at a meeting in the Krakow Party Committee. An important matter for the development of Polish science and its effectiveness, the premier emphasized, is to renew its links with world science and especially to establish close cooperation with scientists from the CEMA states. He also added that the success of the program for extensive participation of science in the country's economic life will be decided equally by the concretization of individual programs and proper personnel policy in academic circles. [Text] [Warsaw Domestic Service in Polish 0600 GMT 15 Feb 86 LD] /12232

YOUTH AGREEMENT WITH USSR--A cooperation program between the Polish youth organizations and the Soviet Komsomol was signed in Moscow today. The new element marks an increase in the participation of youth from both countries in solving issues relating to economy and scientific and technological development. The documents were signed by Jerzy Szmajdzinski, chairman of the Main Board of the Union of Socialist Polish Youth, and representatives of the Union of Rural Youth, the Polish Scout Union and the Association of Polish Students. Viktor Mishin, first secretary of the Komsomol Central Committee, signed for the Soviet side. [Text] [Warsaw Domestic Service in Polish 1830 GMT 17 Feb 86 LD] /12232

DEBT AND LABOR PROBLEMS--A meeting of first secretaries of the basic party organizations from the capital and municipal voivodship with the executive of the PZPR Warsaw Committee was held in the Congress Hall in Warsaw under the slogan The Strength of the Party Lies in Activities of the Basic Party Organizations. A draft party program and social and economic tasks of Warsaw voivodship were discussed. Taking the floor in the discussion, Marian Wozniak touched upon the issues of the country's complicated economic situation. He spoke, among other things, on the level of our debts to capitalist countries, at the same time pointing out low quality, examples of bad labor organization and the lack of efficiency in the management of numerous enterprises. In the process of shaping economic awareness, the mechanisms of economic reform itself are not sufficient enough, Wozniak said. [Text] [Warsaw Domestic Service in Polish 2200 GMT 22 Feb 86 LD] /12232

PZPR VOIVODSHIP SECRETARIES CONFERENCE--A conference of PZPR voivodship committee secretaries was held on 13 February 1986, under the direction of Marian Wozniak, Politburo member and secretary of the PZPR CC. The talks dealt with the handling of crucial social policy problems and with the joint efforts of the PZPR with trade unions and self-management crews in their implementation. The participants underscored the important role of the unions and workers self-management in the process of implementing economic reforms, in raising management efficiency, and in encouraging broad-based public support for rationalization, innovation, resources conservation, and product quality. It was concluded that unions' and workers' self-management activities should promote raising the level of worker understanding of economic affairs, encourage their social and production activities, and strengthen the active participation of the working class in the process of economic planning and management. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Feb 86 p 2] /6091

SOVIET AMBASSADOR VISITS--On 13 February 1986 the Soviet ambassador, Vladimir Brovikov, visited Deputy Marshal of the Sejm Mieczyslaw Rakowski. The visit marked the beginning of Brovikov's diplomatic mission in Poland. Ambassador Brovikov also visited Deputy Marshal of the Sejm Marek Wieczorek on the same day. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Feb 86 p 2] /6091

EDUCATION PROBLEMS DISCUSSED--A 3-day seminar on the fundamental problems of party-educational activities was concluded at the PZPR CC Party Training Center. Participants included the secretaries of teachers committees and staff members of PZPR voivodship committees working with educational issues. The aktivs' main concern was to assure the effective implementation of the resolutions set forth by the 24th Plenum of the PZPR CC. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Feb 86 p 2] /6091

KALISZ, TARNOBRZEG DEFENSE COMMITTEES--The Kalisz and Tarnobrzeg Voivodship Defense Committees held meetings on 14 February 1986. In Kalisz, the committee discussed the socioeconomic achievements of the PZL Transportation Equipment Plant. In Tarnobrzeg, in cooperation with the Voivodship Delegates Caucus, the committee evaluated the implementation of tasks in combating social parasitism. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 p 8] /6091

CSO: 2600/300

POLITICS ROMANIA

PARTY WORK IN TRANSPORT, TELECOMMUNICATIONS MINISTRY

Bucharest SCINTEIA in Romanian 11 Dec 85 pp 1, 2

[Article by Constantin Priescu and Anica Florescu: "Active Participation, One Filled With Responsibility in the Fulfillment of Major Tasks"]

[Text] In the 21 base organizations subordinate directly to the party committee in the Ministry of Transportation and Telecommunications - those within the department of the railroads, the department of ship transportation and the general directorate of posts and telecommunications - over 870 communists are working. If we also take into account the communists in the other sectors of the ministry who have their own party organizations that are not subordinate to the party committee there - those within the department of civil aviation, the Central for Vehicular Transportation and those in the four research and design institutes involved in transportation problems - we can see that the number of people increases considerably. The existence of a significant number of communists shows right from the start the fact that within the framework of the Ministry of Transportation and Telecommunication powerful base organizations are at work which can and must make a significant contribution to mobilizing party members and the other workers in carrying out the policies of our party and state in this sector of great importance for our national economy.

The permanent direction of the communists' work and the focusing of their efforts towards the important goals of the ministry are achieved by way of the problems which the party committee periodically places on its agenda and by way of the analytical and revolutionary spirit in which these problems are to be approached and transmitted as a means of thinking and acting to each communist.

Have and are these requirements being met in actual practice?

The answer to this question must first of all begin with the sharp criticism directed not long ago by the party leadership in connection with the manner in which activities are being carried out in this sector and the manner in which they are being managed. In the 4 September 1985 session of the Political Executive Committee of the RCP Central Committee, it was clearly stated: "The Political Executive Committee evaluated as unsatisfactory the activity of the Ministry of Transportation and Telecommunications and the management of this ministry - and has asked that measures be taken urgently to ensure the radical improvement of work and the fulfillment of the tasks of this sector under the best possible conditions." Let us similarly begin with a requirement formulated by comrade Nicolae Ceausescu, the secretary general of the party, at the recent plenary session of the Central Committee: "The leadership council of the Ministry of Transportation must work with more responsibility for strengthening discipline and order and for carrying out transportation under good conditions."

What are the causes that have brought about such exigencies regarding the activities in this sector?

Among these causes - with most of them belonging to the inappropriate manner in which the leadership council of the ministry and the communists who belong to this organism have occupied themselves and worked to implement the tasks that have been established in the field of transportation - we can also see the fact that in the working style of the party committee and in their approach to economic tasks there have been and are serious shortcomings. These are shortcomings which, once decisively eliminated, can also naturally bring about improvements to all management activities and can imprint an involved, revolutionary working style that is designed to put to best use the thoughts and actions of each communist in the exemplary fulfillment of the especially important tasks of this ministry. As was stressed at the recent plenary session of the RCP Central Committee, the improvement of party organization activities and the forms of management and the strengthening of responsibility, order and discipline are determining factors for ensuring good management in overall economic activities. Through the prism of these requirements and the exigencies formulated by comrade Nicolae Ceausescu it is necessary to work fully decisively to eliminate negative states of affairs and deficiencies in the work style of the party committee.

First of all, we are talking about the manner in which the committee exercises its function as the leading political force and the way in which it analyzes the activities carried out by communists and personnel having responsibilities for fulfilling the major economic objectives of this important sector of the national economy. The analyses in this field that have been carried out by the party committee are far from what they should be - of a deep examination of the causes that generate shortcomings, of seeking and finding solutions and of adopting certain technical and political-organizational measures that will involve all the communists, specialists and workers in the ministry in resolving this situation. Quantitatively, these analyses are doing much on important problems. Reviewing the number of topics of these analyses - "The Concerns of the Communists in the Department of Ship Transportation for Strengthening Order and Discipline in the Maritime and River Fleets," "An Analysis of the Manner in Which the Ministry's Party Committee and Leadership Council Work to Fulfill the Program to Increase Labor Productivity," "The Concerns of the Communists in the Railroad Department for Strengthening Traffic Safety," "Analysis of the Inappropriate State of Work in Investment Projects and the Establishment of Measures to Recover Arrearages" - you would expect that these would have brought about an improvement in the work in the areas that were analyzed and that they would have represented a test of the competency and revolutionary responsibility for the party committee and the communists who head the respective offices. In reality, these analyses - beginning with the manner in which they were conceived (short reports that were frequently written precisely by those who head the respective areas) and ending with the manner in which they were concluded (in addition to the fact that the measures adopted following these analyses were not thorough, the party aktiv did not participate nor did the experienced communists, their implementation did not constitute a decisive stage of political activity) - tend more to mimic an approach to the major problems of the ministry than an effort to effect them in their essence.

In April, for example, the party committee analyzed the concern of the communists in the department of ship transportation for strengthening order and discipline and for the efficient use of the available ship capacity. One such subject submitted for discussion at an opportune moment - after the first working quarter, when the end of the difficulties imposed by a harsh winter was imminent and when it was possible to outline a true "strategy" of action - was the strengthening of political work in this field to make up for the shortfalls that had occurred. And, the report presented by the bureau of the base organization and the management of the department before the party committee represented not a thorough analysis through which they would be involved by name and according to their positions and responsibilities, as well as all the communists responsible for coordinating activities in this area, but rather a "demonstration" of numerous reviews that had been carried out by the specialists in the department throughout the units in order to strengthen order and discipline. It went so far that instead of establishing the causes of the inefficiency of the review, it dealt with statistics from the last 2 years even though it was analyzing the situation of a single quarter - and it took into account... over 2,000 reviews (???). Is it possible for this analysis, which abounded in justifications and in numbers showing the frequency of reviews, to make a good impression upon someone? It is certain, however, that it did not have and could not have a real efficiency. This is also undoubtedly proven by the fact that a later review, carried out by a group from the RCP Central Committee tasked with analyzing the causes of the overall inappropriate activities of this ministry and with establishing measures to radically improve work there, revealed the most serious deficiencies in the area of ship transportation, linked especially to the inappropriate use of ship capacities in the country's maritime and river fleets. In order to eliminate these deficiencies, the necessary technical and political-organization measures have only now been established.

The efficiency of analyses carried out by a party organ is determined in the end, as is known, not by the number of analyses, but rather by their quality and by their ability to uncover in a timely fashion the causes which generate deficiencies and shortfalls, to establish effective measures to correct a situation and to ensure the effective participation of all resources to achieve this.

That this was not understood in a fully responsible way either after the reviews that were carried out or after the measures were established, is also shown by the manner in which they dealt with the situation of failing to achieve in the plan in base organization No 2 - the directorate of railcar traffic - within the framework of the railroad department on the occasion of the annual general assembly for reporting. Before the communists, the report of the bureau of the base organization (secretary: engineer Constantin Tabacaru) "dealt" with, among other things, the situation in the following manner: "Although comrade Iulian Tudose, deputy minister, did everything to set things right, activities in the field of rail transportation continue to record serious deficiencies." What kind of criticism is this? Does this base organization feel that such a criticism in any way helps to set things right? Does the party committee believe that in this way it will be able to ensure a radical improvement in party activities in the ministry, as the party leadership requested?

Naturally, there are other means of party work through which the base organization and the party committee can mobilize the activities of the communists and their revolutionary spirit. In increasing their contribution to resolving the complex problems of the transportation sector, the party committee can call upon and must call upon to a greater degree than up to now the specific, differentiated effort of each communist so as to better use both the potential of the individual and that of the group to which the individual belongs. Over 60 percent of the party members in the ministry, by virtue of their job functions, are traveling among the units and are carrying out guidance and review activities. Has the party committee ever analyzed - as would be natural and necessary - this facet that is so important and essential to the activities of the communists in the ministry in order to thoroughly understand the problems in the field and how to resolve them? "No, not to date, no," the party committee secretary tells us. "We have his requirement in mind for the next stage." And, is not each communist asked, in the spirit of the Party Statutes, to permanently carry out his professional tasks - including those for which he travels into the field - of knowing in a timely fashion which problems have been resolved and which have not. This means if he does not do this he leaves things to run by themselves, he does not carry out a political-organizational activity in accordance with the requirements and exigencies placed before the party committee in the ministry and before each communist. But, the deficiencies of such a work style are also clearly shown in the overall results that have been obtained to date in the ministry, where only two sectors - posts and telecommunications and the department of civil aviation - have shown positive results.

Recently, the bureau of the party committee established the practice of requesting nearly monthly reports regarding the activities carried out by the bureaus of the party organizations and by the communists for fulfilling their professional tasks and the affairs of the organization. Through the prism of the need to understand the positive experiences in this area and to ensure their spread, this is a good direction. It should not, however, replace the statutory requirement - which each communist has - to periodically present individual reports before the base organization or the party committee to which the person belongs. In the Ministry of Transportation and Telecommunications, there is, unfortunately, such a tendency. For example, to date, there has not been presented a single report - with the exception of one case - by a member of the party committee or a person from the leadership of the ministry, even though the number of personnel - beginning with office chiefs and deputy director generals - is much greater than 200. The absence of such reports, such open, communist reports, can have consequences and bring penalties - and, as has been seen, brings them both to the act of technical-administrative management and to political leadership.

It is true that in the latest period, beginning especially in October, the party committee has reconsidered its work style and, in the spirit of the exigencies established by the party leadership, is giving the greatest attention to realistically drawing up the analyses that have been involved, involving the party aktiv and thoroughly analyzing the work that has been carried out by those communists having responsible positions and by all the communists in the ministry on the basis of activity reports. All this constitutes, without a doubt, a guarantee for the improvement of the general activities of the ministry - and first of all for the use indices for the means of transportation in the railroad and maritime-river sectors, and, on this basis, for increasing economic efficiency.

One last problem which we will bring into discussion in connection with increasing the contribution of the communists in dealing efficiently with the major problems of this ministry refers to the development of a permanent cooperation - on one hand between the party committee within the Ministry of Transportation and Telecommunications and the party organs and organizations in the sectors of the ministry which are not subordinate to it and, on the other hand, the party committees in the other ministries which benefit from transportation services. Such cooperation, promoted either from the direct initiative of the party committee in the ministry or coordinated by the municipal party committee and the party committee in Sector No 1, would be capable of ensuring the overall more efficient involvement of party organs and organizations in the fulfillment of the important tasks in transportation. Such cooperation, achieved through the specific methods of party work, would be able to transmit its results over time through the intermediary of the communists in the ministry down to the base organizations by way of the rational use of technical resources, the reduction of transport costs, the more powerful development of rail transportation, the regular satisfaction of the requirements of the national economy and the growth of efficiency in all economic activities. This would be beyond a doubt in the interest of party activities and the national economy.

Benefiting this year from the direction and on-site guidance and from the conclusions formulated on these occasions by the two review groups from the RCP Central Committee, it is absolutely necessary now to have a radical improvement in the work style and methods of the party committee and the base organizations in this ministry - through the implementation of the lessons that have been shown and the measures that were established. And, the purpose is for party work, through its many means, to become really the decisive factor in improving activities in this ministry for the promotion of a new, higher quality in all its sectors and for ensuring high economic efficiency.

8724
CSO: 2700/69

POLITICS ROMANIA

BRIEFS

PEOPLES COUNCILS CHAIRMEN--On the basis of Article 97 of Law No 57/1968 on the organization and operation of the peoples councils, the president of the Socialist Republic of Romania decrees that Comrade Andrei Sorcoiu is delegated to fill the position of chairman of the executive committee of the Bihor County Peoples Council, Comrade Mihai Marina is delegated to fill the position of chairman of the executive committee of the Constanta County Peoples Council, and Comrade Constantin Dinu is delegated to fill the position of chairman of the executive committee of the Mehedinti County Peoples Council. [Excerpts] [Bucharest BULETINUL OFICIAL in Romanian Part I No 8, 12 Feb 86 p 2] /9365

CSO: 2700/104

HIGH JOB TURNOVER RATE CONTINUES IN INDUSTRY

West Berlin IWE TAGESDIENST in German No 33, 28 Feb 86 p 1

[Article datelined IWE Berlin, 28 Feb 86: "Continuing High Job Turnover in GDR Industry"]

[Text] Labor force turnover in GDR industry continues to be relatively high, as is shown in studies published by the scientific journal of the Dresden Technical University. It was stated that the problems arising from this had "not diminished in significance." The principal reasons cited for the effort to change jobs were dissatisfaction with job duties, with the intellectual demands of the work, with the relationship between performance and salary, and with the labor organization. Contradictions between the qualifications possessed and the potential for putting them to practical use led to "a high degree of effort to change jobs." It was stated that in various branches of industry, more than two-thirds of the skilled workers in undemanding job slots had attempted to change jobs. This indicated a trend: in the case of workers possessing higher than requisite qualifications to perform job duties, the effort to change jobs was "especially evident." The studies confirmed previously obtained sociological data showing that workers' willingness to change jobs decreases with increasing age. According to the data, 32 percent of the workers under 20 strove to make a job change in the same plant, and 37 percent to change plants; in the case of those over 50, the corresponding percentages were 20 and 1. A similar relationship existed with respect to length of service in the plant.

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CSO: 2300/236

END

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East Europe Report

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FARM COOPERATION COUNCIL STRESSES ROLE OF COMMERCIAL CONTRACT

East Berlin BAUERN-ECHO in German (supplement No 371) 6 Aug 85 pp 697-698

[Article by Dr Gerhard Greiner, contract judge and department head at the State Contract Court of the Council of Ministers of the GDR: "What Importance Have Commercial Contracts for the Work of Cooperation Councils?"]

[Text] The LPGs and VEGs of plant and animal production are linked to each other by a natural correlation in the uniform reproduction process of soil --plant--animal--soil. Organization of these cooperative relations by the LPGs and VEGs determines to a decisive degree production and its effectiveness. The Central Committee's report to the 10th SED Party Congress states: "The organization of cooperation is to serve to perfect the working together of LPGs and VEGs with their partners to their mutual advantage. All proven forms of cooperation should be continued . . .This concerns the cooperation councils of plant and animal production in particular, who have to ensure effective cooperation in the uniform reproduction process." (Footnote 1) (Report of the SED Central Committee to the 10th Party Congress of the SED, reporter Comrade Erich Honecker, Dietz Verlag, Berlin 1981, p 76)

Practical experience has proven that cooperation is the proper way for comprehensive implementation of intensification which will open up new forces of production and effectiveness development over a long period of time. (Footnote 2) (See Musterkooperationsvereinbarung Model Cooperation Agreement , GBl I, No 17, 5 July 1985) Intensifying cooperation is therefore an essential precondition for continued successful implementation of the SED's economic policy.

On the basis of Article 12 of the LPG Law, and for an effective organization of the uniform reproduction process of plant and livestock production within the cooperation, LPGs and VEGs delegate to the cooperation council rights and obligations to take responsibility for carrying out joint measures of management, planning and economic accounting. The extent of authority delegated to the cooperation council depends on the concrete state of development. As legal forms for regulating cooperation relations, the government has recommended that LPGs and VEGs apply the statute, the cooperation agreement and the commercial contract (Article 16, paragraph 1, LPG Law).

In practical terms of LPGs and VEGs working together in cooperations, the cooperation agreement has taken on special significance. It contains the goals of joint cooperative work, rights and duties of the cooperation partners, management forms of the cooperation, powers of the bodies, representation in legal relations, and the principles of cooperative work. The experience collected so far was incorporated in the model cooperation agreement. (Footnote 3) (op. cit.)

An equally important role is played by the commercial contract in organizing and implementing cooperation relations within the cooperation. For example, the cooperations have master contracts for delivery of fodder and organic fertilizer, which are put into specific terms in annual contracts, taking into accoun the plans of the cooperating enterprises and the plan of the cooperation.

The model cooperation agreement specifically confirms the role and position of the LPGs and VEGs of plant and animal production as the basic units of agricultural production. Legal autonomy and economic self-responsibility are essential conditions for working together in a comradely fashion to master the uniform reproduction process, to utilize production and effectiveness reserves, and to ensure a stable development of all partners on the basis of one's own performance.

The cooperation council as elected body of the cooperation partners among other things carries out delegated tasks in the area of cooperation relations. (Footnote 4) (op. cit.) Based on state target indices and the long-term development concept of the cooperation, it must establish the plan of the cooperation of the LPGs and VEGs and assign tasks to the cooperation partners to establish their own operating plans. With the defense of the operating plans and the ensuing conclusion of a contract, the cooperation council ensures the unity of the "plan of the cooperation of the LPGs and VEGs," the operating plan, and the contract.

The sphere of influence of the cooperation council concerns not only intra-cooperative contracts (fodder, fertilizer), but also contractual relations with partners outside the cooperation resulting from the tasks contained in the operating plans of the LPGs and VEGs regarding the delivery and purchase of products (milk, meat, potatoes, machines, investments, etc.).

The control duties of the cooperation council also imply that it must deal on a regular basis with the state of plan and contract fulfillment and must take appropriate measures in case of failures. The commissions can be given certain tasks to assist in this work. It proved effective to have the commission on fodder exercise control over the fulfillment of the fodder contract, make decisions concerning failures or for better fulfillment of the contract, and prepare decisions for the cooperation council.

For instance, at the Cooperation Sprotta, kreis Eilenburg, deviations were found regarding hogs in the monthly assessment of plan and contract fulfillment. As a consequence, the cooperation council ordered a temporary redistribution among the partners to ensure the necessary total yield. This avoided delivery of slaughter animals with insufficient weight. (Footnote 5) (See Taubert, Kaufmann, Walter: How the Sprotta Cooperation Council Carries Out its Responsibility for the Uniform Reproduction Process, KOOPERATION No 11/1984, p 491)

To deepen cooperation relations, the cooperation council also is in charge of the following tasks, which are of importance for the conclusion and fulfillment of contracts:

--Coordinating forces, means, funds and labor to fully utilize the available potential for a high performance increase;

--Determining basic proportions and performance goals, especially in order to overcome unjustified differences in levels of production and effectiveness;

--Organizing joint measures of scientific-technical progress, and bringing about the comprehensive use of the concepts of highest yield and highest performance;

--Planning investments, and carrying out joint investments;

--Organizing economic relations, and developing business administrative regulations (agreed-upon prices, delivery and performance conditions of fodder and organic fertilizer, mutual assistance with labor, machines, fixed assets, etc.). (Footnote 6) (Compare Model Cooperation Agreement, op. cit.)

In practical experience, the commercial contract has proven itself as an instrument of incentive. This is also expressed in the model cooperation agreement. In Paragraph I No 3, the conclusion of commercial contracts by LPGs and VEGs is called an important expression of legal autonomy and economic self-responsibility. It states further: "The cooperation partners form their delivery and performance relations in the cooperation also on the basis of commercial contracts."

9917
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DEVELOPMENT, MODERNIZATION OF ANIMAL HUSBANDRY

Bucharest REVISTA ECONOMICA in Romanian 4 Jan 86 pp 14-15

[Article by Gh. Georgescu and N. Severin, "Nicolae Balcescu" Agronomic Institute: "Features of the Intensive Development in Zootechny"]

[Text] In view of the importance that animal husbandry has for the national economy and for raising the standard of living of the working people, our party has devoted--especially after the ninth congress--special attention to organizing and developing modern, large-scale zootechny that would provide high outputs of meat, milk, eggs, etc.

The Growth in the Degree of Industrialization

Today, big and modern state and intercooperative enterprises for raising and exploiting various species of animals are sensibly distributed throughout the country. They represent the backbone of zootechny, model units from all viewpoints, simultaneously representing for the respective zones centers for promoting scientific research and the improvement of the breeds of animals, both for the IAS's [state agricultural enterprises] and CAP's [agricultural production cooperatives] and for the farms of CAP members and the private farms.

The exploitation of species once considered "Cinderellas" of zootechny has had wide development in recent 5-year periods. Such is the case of chickens and turkeys, for instance, and in the context of the growth and diversification of animal production, the raising and exploitation of other species (hares, coypus, minks, and so on) are raising their percentage in the agrarian economy.

The organization of the zootechnical enterprises is conceived on the principle of the concentration of populations and the specialization of farms, which has many advantages; being in fact attributes of the growth in the degree of industrialization, in these units, the routine, intuition, and "eye" of the breeder are being replaced more and more by modern methods of establishing the optimal solutions and decisions. More and more, the chief accountants are involved in the records of the productive performances of the animals and of the market conditions, with a view to decisionmaking.

Animals with high productive and reproductive performances, imported or improved in the country, populate modern stalls, with a controlled and directed microclimate for some species. Very subtle husbandry technologies, devised on the basis of thoroughly knowing the animal organism's requirements and its physiological and behavioral reactions, are applied with a view to obtaining outputs as close as possible to the high genetic potential. An entire industry for making technical equipment for the zootechnical sector has come into being, with the high degree of mechanization and, sometimes, automation providing high precision in applying the technologies and raising the labor productivity. For some species, such as hogs and chickens, the labor productivity--as a result of the high degree of mechanization, the scientific organization of labor, the high productive performances, etc.--rivals the labor productivity in the more profitable industries. The industry producing mixed feed for hogs, poultry and other species has been developed.

Networks for improvement, selection, hybridization, and reproduction of animals, which achieve biological material competitive on a world level, have been set up. It is worth bearing in mind that, at present, only hybrids of chickens are exploited, which represents one of the most notable practical applications of genetics in zootechny. The exploitation of hybrids also extends to other species, such as ducks, turkeys, rabbits, etc. Illustrating the spirit of foresight for the further development of animal husbandry, "gene libraries"--veritable "banks" for storing and preserving genes, the genetic endowment for future generations--have been set up for various species. The gene library at the Constanta IAvS [State Poultry Enterprise] is one of the few in the world of its size, concerns, and achievements. The preparation and application of highly effective programs and technologies regarding veterinary-health prophylaxis and the production of highly effective drugs, serums, vaccines, and other preparations play a prominent role in the reduction of mortality and the obtaining of high performances.

Zootechnical scientific research has grown strongly, in institutes specializing in species and some special problems of general importance. In fact, the researchers in these scientific units, together with the teaching personnel from higher education, represent "general staffs," which, through interdisciplinary scientific research activity performed on the basis of programs of national or specific interest, improve the productive performances of the animals, optimize the reproduction, the feeding, and the husbandry technologies, and substantiate and work out all decisions for action. Clearly, the research on the production and preservation of fodder and the veterinary scientific research, meant to provide healthy animals for exploitation, go along this line.

For some species, such as hogs, chickens, turkeys, and so on, the high level of technical equipping of the enterprises, the application of technologies devised on the basis of new gains in science and technology, the use of operational research, the steady delivery of products throughout the year, the scientific organization, planning, and management, the high labor productivity, the methods of prospecting the market and forecasting, the multilateral training of the work force, the improvement of the production relations and social relations, etc. have imparted the attributes of industry to the raising of the respective species and have turned it into a variant of industrial activity.

Higher Levels of Outputs

On the instructions of Comrade Nicolae Ceausescu, animal husbandry has made great strides on the farms of the CAP members and on the private farms in areas without cooperatives. Enjoying many advantages, from obtaining animals with a high production potential, technical equipment, and technical assistance from the state, to securing the utilization of the products through contracting with the state on stimulative terms, the respective categories of producers contributed to the centralized supply and the market supply in 1983 about 49 percent for meat, 72 percent for cow's milk, 49 percent for wool, 58 percent for eggs, and 91 percent for honey.

The zootechnical sector's development is reflected clearly and convincingly by the following data. The animal populations in 1984 were higher by 36.8 percent for cattle, 167.4 percent for hogs, 40 percent for sheep, 197.5 percent for poultry, and 39.6 percent for bee families than in 1966. Regarding the average outputs per animal, in 1983 they were higher by 28.1 percent for the commodity output of milk, 21 percent for wool, 76.2 percent for eggs, 56 percent for honey, etc. than in 1965. As a result, the gross outputs in 1983 were higher by 112.5 percent for all meat, 22.6 percent for beef, 110.1 percent for pork, 426.1 percent for poultry, 45.9 percent for sheep, 67.2 percent for cow's milk, 55.7 percent for wool, 193.5 percent for eggs, and 91.8 percent for honey than in 1965. It is worth pointing out the fact that the growth of the outputs in general was due particularly to the improvement in productive performances.

The rise in fodder resources made a remarkable contribution to obtaining these results. If we refer just to cultivated fodder plants, one notes the fact that from 1965 to 1983 the production of the various crops rose by 284 percent on the average and the amount of fodder per head of cattle rose by 212 percent on the average. Considering that the area cultivated with fodder plants fell by approximately 4 percent during the respective period, it follows that the improvement in fodder resources was achieved exclusively through the intensification of the agrotechnical methods and the use of cultivated seed. The 4 million hectares of natural pastures and meadows in the hilly and mountain zone, toward which the center of gravity of cattle and sheep raising is shifting more and more, must also be added to the production of cultivated fodder.

In 1983, due to the growth in populations, average outputs per animal, and gross outputs, zootechny's percentage in agriculture, expressed by the value of the gross output, was 44.2 percent, that is, 20.1 percent higher than in 1965. This means that, although the achievements are quite remarkable, there is still much to do, because it exceeds 50 percent in the developed countries.

The development of zootechny had as a result the growth of the per capita annual consumption by 84 percent for meat, 41 percent for milk, 151 percent for eggs, 200 percent for honey, etc. from 1965 to 1983.

Highly Qualified Specialists

The successes achieved in animal husbandry would not have been possible without qualified specialists. After the attempt, initiated in 1962, to train specialists with a very broad grounding--both for the exploitation of animals and for the protection of their health--the objective necessity of specialization in the following professions, a necessity generated by the extreme complexity of intensive-industrial animal husbandry, resulted beyond a shadow of a doubt within the social division of labor: the zootechnical engineer, who is the engineer of the animal "industry," and the veterinarian, who provides healthy animals for exploitation. As a consequence, zootechnical education--secondary and higher--was reorganized.

The zootechnical engineer is a specialist armed with a high scientific conception and technological, organizational, and economic thought, which confer on him the capacity to organize and manage in big enterprises of an intensive-industrial type the processes of reproduction, raising, exploitation, and improvement of huge populations of animals and to assume engineering responsibilities in the research and planning of the devising and optimization of the technologies and their technical components, for increasing the outputs and the economic efficiency.

Today, 234.8 percent more zootechnical engineers and 96.8 percent more zootechnical personnel with secondary training work in agriculture than in 1965.

Greater Tasks in the Current 5-Year Period

The directives of the 13th RCP Congress provide for the 1986-1990 5-year period tasks and measures that would further provide, in the context of the new agrarian revolution, the intensive development and the modernization of zootechny and the speedup of the growth of animal production through the better organization and use of the material base and the application of advanced achievements and technology.

The improvement of the material base and of its exploitation, the raising of the birth rate and the lowering of the death rate, and the consolidation of fodder resources will create conditions for the populations to reach 11 million cattle, 15 million hogs, 28 million sheep, and 80 million egg-laying poultry at the end of the 5-year period, thus being up to 26 percent higher than in 1985, depending on the species. Big rises in the average outputs per animal--under the conditions of the reduction of material and energy consumptions--are also planned, to which the genetic improvement of the populations will also make a big contribution. Ultimately, all these things will have as an effect the growth of the total production. The total production in 1990 will be higher by 38-41 percent for meat, 46-51 percent for cow's milk, 12-19 percent for eggs, 27-35 percent for wool, and 26-33 percent for honey than in 1981-1985. Sericulture and pisciculture too will undergo significant development, with the output of silk cocoons being 15,000 tons and the output of fish from inland waters being 185,000-200,000 tons in 1990.

The experience and competence of the workers in zootechny and their self-sacrifice represent the guarantee that these tasks will be fulfilled, so that animal husbandry's percentage in agriculture will exceed 50 percent.

12105
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SOCIALIST ALLIANCE MEETING ON AGRICULTURAL PROBLEMS

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 24 Feb 86 pp 10-11

[Excerpts] At a marathon meeting on 19 February of the Federal Conference of SAWPY on the socioeconomic development (lagging) of agriculture and the rural community, delegate Martin Ban noted (and he was not refuted) that farmers are not represented in decisionmaking on agriculture; in fact, others, not farmers themselves, are dealing with...the problems of agriculture.

The new plan calls for a 5-percent increase in agricultural production (an increase of 4 percent was planned for the previous period but production actually rose by less than 1 percent). Only one thing is certain now on the eve of spring planting, namely, that it will be the most expensive planting period up to now--seed, fertilizer, and fuel will be more expensive, and it was noted that this year a large number of farmers will turn to producing for their own needs only because producer prices and interest rates are so high. Last year the total cost increase for farmers was 82 percent, while the price of farm products increased 32 percent.

Turning its attention to the associating of farmers, the SAWPY meeting noted that about 12 percent of farmers are associated, while about 70 percent have loose ties to the socialized sector through cooperation. It is believed that farmers lack the motivation to associate: Cedo Grbic believes that private farmers would associate, even with land, but only if association offered them a real chance to triple or quadruple their income.

It was noted that every year 33,000 hectares of agricultural land goes out of cultivation, totaling up to now over 800,000 hectares of uncultivated land. The number of farm households composed of older citizens is growing, as is the number of mixed households [farms with members working in towns and cities] and farms with ever-smaller land areas. Land plots should be enlarged but a method has not yet been established for this (althouth in some republics and provinces the leasing of uncultivated land exceeds the maximum [permitted]). Not much can be expected either in the socialized sector. Berislav Sefer believes that this sector could not efficiently cultivate an additional 3 million hectares [as published] even if all this land were ceded to it without compensation. This is, of course, only a hypothetical case, since it cannot acquire land without compensating [the owner] and the socialized sector has no capital accumulation for buying more land.

Cedo Grbic said that there are no real prospects for creating 50-100-hectare farm households soon, but this process should be made possible: the opportunity should be offered to anyone who wants to cultivate the land, to invest in it, and to carry out his obligations. The view prevailed at the meeting that there is simply no hope for agriculture if the village is not revitalized. In order to attract (or hold or return) young people and also specialists to the village, the village must be urbanized and its distance from city and cultural life must be compensated by earnings which will be high enough to hold youth on the land and attract specialists.

/8918
CSO: 2800/187

EAST-WEST TRADE DEALS REPORTED

Warsaw POLITYKA in Polish No 8, 22 Feb 86 p 15 supplement POLITYKA EKSPORT IMPORT No 4, Feb 86

[Article: "East-West"]

[Text] GREAT BRITAIN-USSR: The British firm, John Brown Automation, Coventry, will supply the USSR with an automated assembly line for the production and testing of large-diameter clutches (38 cm) that will be installed in late-model field combines. The completely automated, 15-station assembly line will make it possible to assemble a clutch unit every 15 seconds; the annual production capacity will be 185,000 units. Tracking the assembly line and final product quality control will be controlled by a computer system. The value of the contract is £4 million.

ITALY-CZECHOSLOVAKIA: The Czechoslovak enterprise, Tuzex (counterpart of Polish Pewex), ordered 500 cars, model Uno 45, from Fiat. These cars, together with 200 Ford Escorts and 200 Sierras, will be available through Tuzex in 1986.

YUGOSLAVIA-GREAT BRITAIN: During the last season, the Yugoslavian tourist bureau, Jugotours, noted record transactions in the sale of tourist services in Great Britain. British tourists spent a total of nearly 2.5 million days in Yugoslavia; this makes Yugoslavia the most popular site for summer holidays (next to Greece).

HUNGARY-GREAT BRITAIN: The Hungarian Institute of Market and Economic Research sponsored an agreement for exchange of information with the information service of the British weekly, THE ECONOMIST. Beginning this year, the international economic service, which includes basic economic indices from 84 countries, prepared by the British weekly, will be published in Hungarian.

ARGENTINA-CUBA: Argentina is participating in the expansion and modernization of the tourist base in Cuba. On the basis of a recently signed contract, the Argentine construction firm, Comarco, will begin construction of eight hotels, total value, $120 million. The agreement involves building one four-star and seven three-star hotels in the Cuban resort, Veradero, with a total of 2000 beds. Construction will take 5 years.

Financing is based on a 6-year credit granted Cuba by the Argentine Central Bank.

HUNGARY-CAPITALIST COUNTRIES: In 1985, the number of cooperative agreements signed by Hungarian enterprises with partners in western countries exceeded 500. Transactions based on cooperative agreements are valued at approximately $400 million annually, which is approximately 5 percent of the value of Hungarian foreign trade. Most of the agreements (213) were concluded with enterprises from West Germany; 61 with Austria; 39 with Yugoslavia; 30 with France; 24 with Switzerland; 20 with Sweden; and 13 with the U.S.A. The idea behind cooperative agreements is the purchase of licenses and "know-how," which is subsequently paid for by selling the products. Hungary is also trying to expand cooperation of the "joint venture" type with western enterprises. At present approximately 50 such agreements are functioning. To attract foreign investors, Hungary is also trying to simplify the procedures for granting licenses for this kind of activity and is granting significant tax relief. Foreign partners may at present hold the dominant share in investments. After a period of stagnation, in the last 2 years there has been greater interest on the part of western investors in this kind of cooperation.

AUSTRIA-USSR: The Soviet central bureau, Soyuzvneshstroiimport, signed a contract with the Austrian company, ABV, for reconstruction of a sports complex in Gudauri, Georgia. The Austrian firm will be in complete charge of the construction of a 300-bed hotel, four ski lifts and adjunct construction, as well as a mountain rescue station. All of the equipment and sports equipment for training will be supplied by Austria. The hotel will have a swimming pool and a gymnasium. Gudauri is located at an elevation of 2000 meters, 120 km from Tbilisi, the capital of Georgia. The sports complex will meet the requirements of centers for skiing congresses. The work is to be completed within 2 years.

EAST GERMANY-AUSTRIA: Both countries signed an agreement on environmental protection which includes an increase in information exchange.

AUSTRIA-EAST GERMANY: An Austrian-West German industrial consortium won in the bidding for the modernization of a petrochemical plant in Schwedt, East Germany. The Austrian state industrial concern, Voest-Alpine, will get 60 percent of the contract, the rest will go to Linde A.G. of West Germany.

EAST GERMANY-BRAZIL: On the basis of an agreement on the exchange of television programs between the television networks of both countries, Brazilian entertainment programs will be shown in East Germany, and German sport programs on Brazilian television.

U.S.-USSR: Caterpillar Tractor, an American concern that produces heavy machinery, will supply the USSR with 200 tractors and 39 pipe-laying machines, total value, $80 million. These machines will be supplied in the first quarter of 1986.

FRANCE-USSR: The Soviet central bureau, Avtopromimport, has ordered an up-to-date system, which will completely modernize the plants of the Moscow factory that produces internal combustion engines. Renault is the seller, and the value of the system is 457 million francs. The contract will be fulfilled in 1987.

YUGOSLAVIA-TURKEY: The Yugoslav firm, Elekom, sold Turkey railroad control and signalling systems which will be installed on one of the internal rail lines.

YUGOSLAVIA-SUDAN: A vehicle producer known in Poland, the factory, Tam, in Maribora, will supply Sudan with 43 heavy trucks for the transport of foodstuffs sent to Sudan by the Arab countries to aid Sudan in its disastrous drought. The value of the Yugoslav contract is $3 million.

AUSTRIA-BULGARIA: The Sofia department store, ZUM, will be equipped with modern Austrian equipment that will facilitate serving customers and provide faster service. The firm, Umdasch Laden-Einrichtungen, is the supplier.

ITALY-EAST GERMANY: The concern, Montedison (Italy), signed a 5-year cooperative agreement with East Germany. According to this agreement, Montedison will sell chemical products to AHB Chemie Export-Import and will buy East German products. The agreement also covers transfer of technology, scientific exchange, and the possibility of building plants in East Germany.

HUNGARY-AUSTRIA: With the mediation of the Chemolimpex central office, the Hungarian firm, Medikemia, and the Austrian firm, Spray Color, signed an agreement for Medikemia to sell dyes to Austria to be used in producing aerosol packs.

GREAT BRITAIN-BULGARIA: Discussions between representatives of Bulgarian industry and contractors from the British firm, John Brown Engineers and Constructors bore fruit in the signing of an agreement for cooperation in the building of a factory to produce enzymes for the food industry and for pharmaceutical use. The factory is to be build in Katuniza near Plovdiv under the supervision of British specialists. Other western enterprises are expected to participate. The cost of the project is preliminarily estimated to be from £20 to £50 million.

2950
CSO: 2600/279

RECENT CEMA FOREIGN TRADE DEALS

[Warsaw POLITYKA in Polish No 40, 5 Oct 85 supplement POLITYKA EKSPORT IMPORT No 19 p 4]

[Text] NETHERLANDS--CZECHOSLOVAKIA: The Czechoslovak radio and television manufacturer "Tesla" has signed an agreement with the Dutch concern "Philips" for the purchase of compact disc players and video recorders intended for the Czechoslovak market. "Tesla" plans to shortly begin assembling "Philips-2000" video recorders and compact disc players to which particular parts are to be supplied by the Dutch.

DENMARK-KOREAN PEOPLE'S DEMOCRATIC REPUBLIC: Danish firm Flexpan has received an order for a delivery of equipment and machinery for a cement plant which is to be built in Phenian. The contract is valued at 65 million Danish crowns.

BULGARIA--GREAT BRITAIN: British concern APV International has entered into an agreement with the newly created Bulgarian enterprise "Bioinvest" in the area of cooperation of the "joint-venture" type. The common enterprise of the two firms created in Sofia plans to sell British biotechnological products in Bulgaria. This is the first "joint-venture" agreement between Great Britain and Bulgaria which resulted in the opening of an enterprise on Bulgarian territory. The British side owns 51 percent of the enterprise. Until now, APV has invested 100,000 pounds in this venture.

USSR--USA: The American firm Medical Technology Development Corporation Ltd., a subsidiary of the British firm "Eurdens," has purchased from the USSR a license for production of ellastic silicon-crystal eye lenses which has been perfected by the Moscow Institute for Eye Microsurgery. The same firm has previously purchased from the USSR a license for a method of sharpening of diamond knives used in microsurgery.

YUGOSLAVIA--AFRICAN NATIONS: The Yugoslav export-import enterprise "Jugoexport" will soon open a trade bureau in Dar-es-Salaam which is to be oriented towards promoting Yugoslav processed goods and increasing opportunities to purchase Tanzanian natural products (cotton, sisal, leather.) "Jugoexport" has 10 trade representations in developing countries, and export turnover is expected to reach 89 million dollars this year. "Jugoexport's" latest venture is its participation in the building of a plant in Gabon as a partner of the West-German firm "Salzgitter." The contract is valued at 2.5 million dollars.

BRAZIL--USSR: At a cost of 25 million dollars the USSR has purchased a large quantity of instant coffee. The lot of 28 million 100-gram jars will soon hit the Soviet market.

USSR--SWEDEN: Trade clearing between Sweden and USSR will be made in ECU's (Curopean Currency Unit). Sweden is the first country outside of the ECM which will use ECU's in trade with Eastern Europe.

12916/7687
CSO: 2600/52

COUNTERPLANNING INSTRUCTIONS 1986-1990 ISSUED

Prague HOSPODARSKE NOVINY in Czech No 51/52, 1985, p 6-7

[Unattributed article: "Worker Participation in Plan Formation; Guidelines for Counterplanning Implementation 1986-1990"]

[Text] We are publishing here Guidelines for Implementing Counterplanning, 1986-1990, which has been issued by the State Planning Commission [SPK] and the federal Ministry of Labor and Social Affairs [FMPSV] under agreement with the Central Council of Trade Unions, the Czech Planning Commission and the Slovak Planning Commission.

The adopted Principles of the CSSR Government and the URO concerning worker participation in the formation, implementation and controlling of the fulfillment of 5-year and annual economic and social development plans (CSSR Government Resolution No 270/1985) provide for the development of counterplanning as one of the basic forms of worker participation in management. For this reason a joint task of managerial and union organizations is to mobilize and utilize the creative energies, talents, knowledge and experience of worker collectives to uncover underutilized internal capacities for the improvement and fulfillment of, primarily, qualitative plan indicators, for increasing the efficiency and quality of all work, all in the interest of achieving national objectives.

Counterplanning is a technique for the formation of annual plans and is practiced in economic organizations in all sectors, with most of the activity centered in the internal divisions of these organizations. It is closely related to the application and further development of internal enterprise khozraschot.

In the interest of a unified approach by managerial and union organizations at specific levels of management the following guidelines are being issued to clarify the application of counterplanning.

I. The Objective of Counterplanning

1. Development of an annual plan using counterplanning is organized within the context of the resources, constraints, and restrictions established in state implementation plan for 1986-1987 and its breakdown for organizations

of the central link in management and for other organizations, as well as the restrictions set for 1988-1990 by the 5-year plan, and in some cases by the guidelines for drafting the state implementation plan [hereafter referred to as guidelines].

The basic principle is that when the resources requested in a counterplan proposal (including raw materials, other inputs, and products allocated at the level of the state plan, imports and investments) exceed those available a supervisory agency may adopt the counterplan only if the necessary materials can be procured from an organization's internal resources. For other raw materials, other inputs and products (the so-called items allocated at the level of central agencies, organizations in the middle ranks of management, and nonallocated resources) increased requisitions by organizations and agencies in the middle ranks of management are procured within the context of supplier-consumer relations. Any conflicts that may arise are resolved at the appropriate level of management, the highest permissible level being central sectoral organizations.

2. The objective of counterplanning is the more efficient valuation of inputs, the achievement of greater production efficiency, and more efficient construction and service activities. The focus, that is, is on the qualitative aspects of the capital replacement process and especially on a reduction in the material, energy and import intensiveness of production, on increasing labor productivity, the rapid implementation of R&D findings, the improved utilization of inventories and capital assets, on increasing use values and the quality of products, on increasing the efficiency of export production as well as domestic production, and on reducing completion times in the construction sector. In nonindustrial sectors the focus is on better satisfying public needs, with tasks specified for specific organizations by supervisory organizations.

3. The aggregate expression of improved qualitative indicators is an increase in adjusted value added or another indicator used to establish standards for wages resources (hereafter the "determinant indicator"), assuming that the following conditions hold true:

If an increase is being proposed in the determinant indicator by means of a reduction in materials costs, the only sort of acceptable counterplan is one where any increase is proportionally incorporated in profits. (An increase in the determinant indicator after deductions of amounts related to increased wage costs and contributions to social security should, for all practical purposes, be incorporated in profits).

The Principles of the CSSR Government and the URO provide that:

"If adjusted value added is increased by means of increased production or output, then a counterplan is considered productive if it also proposes:

a) in industrial sectors, a corresponding increase in export deliveries to the USSR and nonsocialist countries, to consumer goods inventories, or an increase in revenues from the general public (for local industry and production cooperatives). Increased output earmarked for production consumption or for the formation of readily marketable inventories is evaluated in terms of the final point of this section (the Czechoslovak State Bank participates in the case of inventories); a precondition for the inclusion of such proposals in a counterplan will be already signed agreements for the marketing of this output. Whether or not this precondition has been met will be evaluated during the annual management analysis;

b) in agriculture, an increase in required contractual deliveries to the food industry, to consumer goods inventories and for export;

c) in construction, adherence to or improvements in designated indicators for regulating noncompleted construction;

d) in other sectors an increase in required output as specified by supervisory agencies.

With these objectives organizations, agencies of the central ranks of management, and central agencies specify the ways by which they will attain the needed improvements."

The above cited measures pursue the following objectives:

--assuring that increases in production are concentrated in priority use areas, which include exports to the USSR or to nonsocialist countries or deliveries to consumer goods inventories (in local production enterprises and service organizations and in production cooperatives revenues from the general public are understood as net services provided to the general population),

--assure that production in excess of the plan and designated for production consumption be marketed in some way so that there will not be an undesirable increase in inventories of finished goods.

4) When a proposed counterplan has been presented a supervisory economic agency studies the proposed contributions to be achieved by an increase in the determinant indicator in accordance with established conditions. If these conditions are not met the proposed counterplan is rejected.

II. Period of Counterplan Organization

1. In 1986-1987 counterplanning is being organized in conjunction with the upgrading of the tasks contained in the breakdown of the state implementation plan for agencies in the central ranks of management and for organizations in their economic plans. The final deadline for the adoption of counterplans is the same as for the approval of a managerial play by a supervisory agency (usually by 15 February of the plan year).

2. For 1988-1990 counterplanning will be organized as an upgrading of tasks set for the year in question by the 5-year plan (guidelines) in drafts of the annual plans of organizations and agencies of the central ranks of management

(usually available between July and September[1] of the previous year). In the aggregate, adopted counterplans of organizations and agencies of the central ranks of management are incorporated into the plan drafts submitted by sectoral central agencies. [1](September is the deadline for finalizing plan relationships between economic reduction units and a central sectoral agency).

3. In agriculture, the food industry (including bakeries managed by national committees) and in construction operations (including local construction companies) because of their specific conditions, counterplanning is organized even for 1988-1990 before the deadline for organizational plan improvement (February), which means that the exception made for the Seventh 5-Year Plan will extend to these later years as well.

4. All additional upgrades adopted after established deadlines are not recognized as counterplans, with all of the consequences that this implies.

III. Economic Incentives for Employees

Counterplanning is connected with an improvement in economic incentives for employees designed to stimulate their interest in the uncovering and exploiting of underutilized capacities for the improvement of established performance targets. In line with existing regulations[2] [2](Decree No 98/1985, Sbirka Zakonu, concerning the allocation of resources, and its guidelines), the following considerations are applicable to economic incentives:

1) In organizations where standards are set in the form of a share of wage resources based on a determinant indicator (referred to as a "level standard") the organization which includes in its plan an upgraded version of the determinant indicator gains the right to wage resources in their full amount based on the existing standard (a 1 percent increase in adjusted value added, for instance, means an increase in wage resources also by 1 percent).

The adoption of a counter plan is more advantageous for the entire collective of employees than is the exceeding of the determinant indicator during the period of plan implementation, when the planned volume of wage resources is increased according to a standard that is adjusted by a recalculation coefficient that is substantially less than 1.

In cases of failure to meet the determinant indicator in the plan, or of failing to achieve it during plan implementation, an organization has a right to wage resources based on established standards (a 1 percent decrease in wage resources for each percentage point of underfulfillment of the determinant indicator).

2) In organizations where standards are applied that tie increases in wage resources to increases in the determinant indicator (hereafter the "growth standard")[3] [3](This standard is defined as a percentage increase in wage resources for each 1 percent increase in the determinant indicator.) this standard is not reduced if determinant indicator targets are exceeded during plan implementation (without a previous counterplan; upgraded tasks in a

counterplan is accorded no advantage over task overfulfillment during the year). In such cases an advantaged growth standard can be established for counterplanning that is used for calculating wage resources due when an established increase in the determinant indicator is upgraded. (An advantaged growth standard is used primarily in those cases where the use of a standard growth norm in the counterplan stage would put these organizations at a disadvantage in comparison with an organization using a level standard). At the same time a percentage increase target for the determinant indicator is set for the organization. The advantaged growth standard is used whenever this target figure is surpassed.

Calculating planned claims on wage resources requires that the status of the determinant indicator and wage resources be determined under comparable conditions, i.e., in the organization, methodology and prices of the plan year (only balanced prices are included). The starting point of the determinant indicator for 1986 and 1987 is the performance of the previous year and, for preparations for the 1988-1990 plans the projected figures for the previous years. The starting point for wage resources is their useable volume, which corresponds to the starting point of the determinant indicator without supplements or deductions.

a) If a decline is proposed in the determinant indicator below its starting point, there will be a linear reduction in the starting point of wage resources (i.e., a percentage point for percentage point decline);

b) If an increase in the determinant indicator is proposed that is less than the established increase, or the established increase is only maintained then the starting point of wage resources is increased by an amount calculated with the aid of the established growth standard (see the model in point b) of the example);

c) If an increase is proposed in the determinant indicator that is higher than established the increase is divided into a part corresponding to the established increase and a part by which the counterplan is increasing this established level. The starting point of wage resources is thus increased by an amount calculated by the following model:

$$\frac{VZ \cdot SR \cdot PN + VZ \cdot (NR - SR) - ZN}{100},$$

where:

VZ is the starting point of wage resources (in korunas);
SR is the established increase in the determinant indicator (in percent);
NR is the proposed increase in the determinant indicator (in percent);
PN is the growth norm (in fractions of a percent);
ZN is the advantaged norm (in fractions of a percent).

In the approval of annual plans the approach is the same with the difference that in 1988-1990 the starting point for the determinate indicator will be the performance of the previous year and the volume of useable wage resources derived from this (exclusive of supplements or deductions).

d) If during plan implementation the determinant indicator is not fulfilled the planned volume of wage resources is reduced in a differentiated manner depending on their origin. This means that they are first reduced in a ratio equal to the counterplan for the determinant indicator, then in accordance with the growth standard (up to the level of the determinant indicator for the previous year), and finally in a ratio of 1:1 (when the determinant indicator declines below its level of the previous year).

The above approach offers, just as with the application of a level standard, economically justified wage growth. The differentiated reduction in the volume of wage resources when the determinant indicator is not fulfilled pursues the objective of not weakening the interest of work collectives for adopting counterplans that utilize a growth standard.

The planned wage resource volume is reduced by a maximum of 8 percent regardless of whether a level or growth standard is used. This reflects the need to assure economically justified wage development and increased joint responsibility of worker collectives for economic performance.

Economic incentives related to counterplanning are guaranteed, provided the conditions are met. Supervisory agencies have the responsibility of assuring that all incentives and penalties are clearly and effectively applied, even though they do not propose a counterplan and some of their subordinate agencies do upgrade their targets with counterplans. Because of this situation these supervisory agencies set aside appropriate allocated reserves of wage resources to covering the claims of counterplanning organizations, and administer the wage resources reductions at organizations that do not meet their targets.

The consistent application and effectiveness of counterplanning requires an improvement in the economic incentives provided for those workers and collectives which have assisted in achieving improved economic performance. Organizational management, by agreement with the appropriate union agency, should modify the regulations for awarding premiums and bonuses in such a way that incentives are provided for those collectives and individuals who have played a role in the adoption and implementation of a counterplan.

The upgrading of organizational objectives through a counterplan is also related to the possibility for increasing annual bonuses for managers to the extent and under the conditions established in the decree of the FMPSV[4] (file no. 513-21258-5131, 051185 concerning the granting of annual bonuses to economic organization managers).

It should also be mentioned in relation to economic incentives that when labor productivity increases are achieved by reducing the number of employees at a given organization, that organization retains the volume of wage resources dictated by the determinant indicator and the established wage resource standard.

IV. A Final Regulation

Central agencies, by agreement with the appropriate agencies of the trade unions, specify the principles of counterplanning within the context of a branch in such a way as to more precisely focus the objectives of counterplanning, including the conditions for employee economic incentives. They may set these objectives for an entire 5-year period. Supervisory economic administrative agencies operate in a similar manner, in that they agree with appropriate union agencies to set more detailed objectives for counterplanning, including the conditions of economic incentives for employees in subordinate organizations. For 1986-1987 this is to be done no later than during the formulation of the annual plan, while for 1988-1990 it should be done no later than at the beginning of work on the annual plan draft. In nonproduction organizations supervisory economic administrative agencies specify counterplanning tasks so as best to reflect their goals.

In the interest of the consistent application of counterplanning state economic organizations, in agreement with enterprise or plant revolutionary trade union movement [ROH] committees, adopt their own regulations for counterplanning including the conditions of economic incentives for internal enterprise divisions. At the same time they assure the successful implementation of these regulations by linking counterplanning effectively to internal enterprise khozraschot and the compensation of work collectives according to merit.

An example follows of the application of counterplanning to the allocation of wage resources by means of a growth standard (for 1986-1987)

Breakdown is established

a) growth standard is a 0.3 percent increase in wage resources for every 1 percent increase in adjusted value added,

b) a growth rate target for adjusted value added is set at 5 percent; when this is exceeded an advantaged standard is implemented;

c) the advantaged norm provides for a 0.8 percent increase in wage resources for each 1 percent increase in adjusted value added over 5 percent.

It was determined that the starting point of the past year (after adjustments and transfers to comparable conditions) was adjusted value added=1000 and wage resources=400.

The enterprise proposed the following levels for adjusted value added [UVV]:
a) 980
b) 1040
c) 1070

Upon plan implementation it was found that actual UVV was 1060.

Comparison of specific variants of claims on wages

Key: MP_{PL} -- planned wage resources
MP_S -- actual wage resources
VZ -- starting point for wage resources
NR -- proposed increase in determinate indicator
PN -- growth standard
ZN -- advantaged standard

a) UVV PLAN 980

$$MP_{PL} = VZ + \frac{VZ \cdot NR}{100} = 400 + \frac{400 \cdot (-2)}{100} = 392$$

UVV ACTUAL 1060

$$MP_S = VZ + \frac{VZ \cdot NR \cdot PN}{100} = 400 + \frac{400 \cdot 4 \cdot 0.3}{100} = 407.2$$

b) UVV PLAN 1040

$$MP_{PL} = VZ + \frac{VZ \cdot NR \cdot PN}{100} = 400 + \frac{400 \cdot 4 \cdot 0.3}{100} = 404.8$$

UVV ACTUAL 1060

MP_S = 407.2 (according to same model as in variant a))

c) UVV PLAN 1070

$$MP_{PL} = VZ + \frac{VZ \cdot SR \cdot PN + VZ \cdot (NR-SR) \cdot ZN}{100} = 400 + \frac{400 \cdot 5 \cdot 0.3 + 400 \cdot (6-5) \cdot 0.8}{100} = 412.4$$

UVV ACTUAL 1060

$$MP_S = 400 + \frac{400 \cdot 5 \cdot 0.3 + 400 \cdot (6-5) \cdot 0.8}{100} = 409.2$$

From the foregoing it follows that in a case when the objectives of a counterplan are not fully met, but the achieved performance is more than the pre-plan projection, an enterprise which entered into a counterplan will receive certain advantages over an enterprise that chose not to submit a counterplan, or which adopted a lower plan and then exceeded it during implementation.

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INCOME-CONSUMPTION DEVELOPMENTS 1970-1983 DISCUSSED

Prague STATISTIKA in Slovak No 11, 1985 pp 494-504

[Article by Michal Majtan: "The Development of Personal Income and Expenditures of the Population of the SSR"]

[Text] Aggregate personal income of our population represents the main source--the means and mechanisms--of the processes of distribution, which even in socialism serves primarily to satisfy personal consumption of the population and services for which the population pays. Its development and volume in a specific period depend on the structure of the population, economy, labor input, and achievements, and on the decisions of our central political and state agencies in the sector of planned managements of the processes of distribution of disposable income (wages, finances, and prices).

The development of the nominal as well as of the actual volume of aggregate personal incomes is determined by decisions which affect, inter alia, in particular the proportion of individual and social distribution of NI and the sphere of primary and secondary distribution and redistribution of NI. This is linked with specific individual decisions which affect in final [sentence incomplete] individual and publicly compensated nonproduction consumption. They also include decisions which formulate the relation between the policies in the sector of rewards and the policies in the social sector.

See Table 1 for the development of aggregate personal incomes in the SSR as well as of main types of personal cash incomes in the context of the data for the CSR and CSSR.

Certain general conclusions may be drawn from the data in Table 1. First of all, it may be noted that average annual rates of growth of personal incomes in the SSR and CSR gradually declined. Thus, for example, in the SSR they amounted in 1971-1975 on the average to 6.5 percent annually, in 1976-1980 to 5 percent, and in 1981-1983 to 3.8 percent. This is connected with the growth of the base as well as--and particularly--with the decelerating rate of growth of gross domestic product, while the growth of average personal incomes (in per capita conversion) was naturally lower in accordance with the growth of the population (particularly in the SSR).

Table 1. Development of Personal Cash Income

		1970	1975	1980	1981	1982	1983	1975/1970	1980/1975	1980/1983	1983/1970
Personal cash income a) Kcs million	ČSSR	226 358	292 057	356 852	366 109	381 788	393 475	129,0	122,2	110,3	173,8
	ČSR	164 545	207 460	248 831	254 661	265 422	272 825	126,1	119,9	109,6	165,8
	SSR	61 813	84 597	108 021	111 448	116 366	120 650	136,9	127,7	111,7	195,2
	SSR/ČSSR %	27,3	29,0	30,3	30,4	30,5	30,7				
b) per capita Kcs	ČSSR	15 792	19 731	23 307	23 897	24 841	25 527	124,9	118,1	109,5	161,6
	ČSR	16 780	20 616	24 095	24 717	25 733	26 429	122,9	116,9	109,7	157,5
	SSR	13 650	17 850	21 672	22 214	23 021	23 696	130,8	121,4	109,3	173,6
	SSR—ČSR	—3 130	—2 766	—2 423	—2 503	—2 712	—2 733	88,4	87,6	112,7	87,3
	SSR/ČSR %	81,3	86,6	89,9	89,9	89,5	89,7				
of which--wages a) Kcs million	ČSSR	166 209	207 146	246 604	254 937	263 762	271 814	124,6	120,0	109,3	163,5
	ČSR	121 866	148 131	174 326	178 320	184 506	189 435	121,6	117,7	108,7	155,4
	SSR	44 343	59 015	74 278	76 617	79 256	82 379	133,1	125,9	110,9	185,8
	SSR/ČSSR %	26,7	28,5	29,9	30,1	30	30,3				
b) per capita Kcs	ČSSR	11 595	13 994	16 237	16 641	17 162	17 634	120,7	116,0	108,6	152,1
	ČSR	12 428	14 720	16 880	17 308	17 888	18 351	118,4	114,7	108,7	147,6
	SSR	9 793	12 453	14 902	15 271	15 679	16 180	127,2	119,7	108,6	165,2
	SSR—ČSR	—2 635	—2 267	--1 978	—2 037	—2 209	—2 171	86,0	87,2	109,7	82,3
	SSR/ČSR %	78,8	84,6	88,3	88,2	87,7	88,2				
--transfer payments a) Kcs million	ČSSR	40 294	51 737	68 222	69 502	75 227	77 903	128,4	131,9	114,2	193,3
	ČSR	29 177	36 809	47 948	48 772	52 583	54 223	126,2	130,3	113,1	185,8
	SSR	11 117	14 928	20 274	20 730	22 644	23 680	134,3	135,8	116,8	213,0
	SSR/ČSSR %	27,6	28,9	29,7	29,8	30,1	30,4		-		
b) per capita Kcs	ČSSR	2 811	3 495	4 456	4 537	4 895	5 054	124,3	127,5	113,4	179,8
	ČSR	2 975	3 658	4 643	4 734	5 098	5 253	122,9	126,9	113,1	176,5
	SSR	2 455	3 150	4 068	4 132	4 480	4 651	128,3	129,1	114,3	189,5
	SSR—ČSR	—520	—508	—575	—602	—618	—602	97,5	113,2	104,7	115,5
	SSR/ČSR %	82,5	86,1	87,6	87,3	87,9	88,5				
--loans a) Kcs million	ČSSR	5 351	9 678	11 118	12 215	12 383	11 714	180,9	114,9	105,4	218,9
	ČSR	3 408	6 211	6 983	7 817	7 936	7 261	182,2	112,4	104,0	213,1
	SSR	1 943	3 467	4 135	4 398	4 447	4 453	178,4	119,3	107,7	229,2
	SSR/ČSSR %	36,3	35,8	37,2	36,0	35,9	38				
b) per capita Kcs	ČSSR	373	654	728	797	806	760	175,3	111,0	104,7	203,8
	ČSR	347	617	676	759	769	703	177,3	109,6	104,0	202,0
	SSR	428	732	829	877	880	875	170,6	113,4	105,4	204,0
	SSR—ČSR	+81	+115	+153	+118	+111	+172	142,0	133,9	111,7	212,3
	SSR/ČSR %	81,1	118,6	122,6	115,5	114,4	124,5				
--other a) Kcs million	ČSSR	14 504	23 496	28 908	29 455	30 416	32 044	162,5	123,0	110,8	221,6
	ČSR	10 094	16 309	19 574	19 752	20 397	21 906	162,3	120,0	111,9	218,0
	SSR	4 410	7 187	9 334	9 703	10 019	10 138	163,0	129,9	106,6	229,9
	SSR/ČSSR %	30,4	30,6	32,3	32,9	32,9	31,6				
b) per capita Kcs	ČSSR	1 013	1 588	1 888	1 922	1 979	2 079	157,3	119,0	110,1	206,0
	ČSR	1 030	1 621	1 896	1 916	1 978	2 122	158,1	116,9	112,0	207,0
	SSR	974	1 515	1 873	1 934	1 982	1 991	155,6	123,5	106,3	204,4
	SSR—ČSR	—56	—106	—23	+18	+4	—131	205,9	21,0	595,5	256,9
	SSR/ČSR %	94,2	93,5	98,8	100,9	100,2	93,8				

Secondly, it may be noted that average annual rates of growth of total personal incomes were relatively very high even in per capita conversion. They were higher than the rates of growth of gross domestic product (in constant prices). This was then necessarily reflected after a certain lapse of time in a slower development of actual earnings of our population.

Transfer payments (in 1971-1975 also other incomes in the form of interest and premiums on bank deposits, insurance benefits, compensation for travel and moving expenses, etc.) acted as a factor accelerating the growth of total personal earnings. The growth of transfer payments was thus connected with higher children's benefits and with higher old-age and other benefits. They increased especially after 1 January 1976 and after 20 July 1979 due to the compensation of a relatively higher rate of growth of retail prices of consumer goods and services.

In general, our socioeconomic policy, including the policy in the sector of rewards and prices, was enforced very deliberately. Numerous measures ensured a realistic and basically, also nominal harmony and proportionality of the development of efficiency, creation of NI, and rewards based on performance. This laid the groundwork for a fundamentally balanced nominal development of offer and demand in our domestic market of consumer goods and services.

Different rates of growth of individual basic types of personal income were also appropriately reflected in the development of the structure of total personal earnings (Table 2).

Table 2. Development of the Structure of Per Capita Cash Income in the SSR (percent and points)

Indicator	1970	1975	1980	1982	1983	Change in 1983 as compared with 1970
Total cash incomes	100.0	100.0	100.0	100.0	100.0	--
Of which incomes:						
--wages	71.7	69.8	68.8	68.1	68.3	-3.4
--transfer payments	18.0	17.6	18.8	19.5	19.6	+1.6
--from loans	3.2	4.1	3.8	3.8	3.7	+0.5
--other	7.1	8.5	8.6	8.6	8.4	+1.3

In the above-mentioned period the primary tendency in evidence was the ongoing decline of wages and a growing share of transfer payments. The development of the above trend stems mainly from the accelerated growth of transfer payments in conjunction with their accelerated growth after the adoption of decisions on compensation and subsidies by our central authorities in the sector of children's, old-age, and other benefits. Within that framework, the overall system of aid to families with children was changed by the transition to a monetary policy in the form of higher children's benefits against the form of discounts, or cut rates of sales tax in prices of consumer goods for children.

The development of the structure of personal earnings was further significantly affected by a slower rate of growth of salaries and wages, which followed from the slower rates of growth of NI and from the enforcement of restrictive policies in the sector of creation and use of funds for performance bonuses (especially in the nonproduction sphere).

The sector of personal earnings from loans granted by state savings banks is developing in an interesting way. As compared with 1970, their share in 1975 rose from 3.2 percent to 4.1 percent. In the following years the share of loans declined or stagnated, not because of the restrictions in the plan, but rather because of the population's diminished interest in loans. This was the consequence of the growth of personal income as well as of the growth of personal savings and of relatively high interest rates on certain types of loans.

In general, the main trends in the development of personal savings were essentially identical in the SSR and in the CSR, while the more rapid rates of growth of personal income in the SSR stem in particular from the difference in the structure of the population (the share of children and the consequent growth of transfer payments) and in a more rapid rate of growth of production and outputs.

If we compare the development of personal income in the SSR and CSR, we may note that in the period before 1980 the level of the SSR in absolute and relative expression was rising. Thus, appropriate indicators were converging. The data in Table 1 document the decrease of the absolute difference in per capita conversion from Kcs 3,130 in 1970 to Kcs 2,423 in 1980. In relative expression this meant 18.7 percent in 1970 and only 10.1 percent in 1980. The share of total personal income in their total volume rose from 27.3 percent in 1970 to 30.3 percent in 1980 and to 30.7 percent in 1983. For comparison, I should like to mention that the share of the SSR population was 33 percent in 1983.

The process of convergence of the SSR and CSR in the area of personal earnings began to stagnate after 1980. As mentioned above, the share of total personal income in the SSR in its total volume in the CSSR increased from 30.3 percent in 1980 to 30.7 percent in 1983, however, not enough to reduce the absolute and relative difference in per capita conversion. The difference in average per capita cash incomes even began to rise from Kcs 2,423 in 1980 to Kcs, 2,733 in 1983, which in relative expression represented an increase in the difference from 10.1 percent in 1980 to 10.3 percent in 1983.

Of the (four) factors responsible for the difference between the SSR and the CSR in cash earnings in per capita conversion the most influential are wages and transfer payments, or those primary factors that affect their development. According to the data for 1983, the total difference in per capita incomes between the SSR and the CSR (not including interest on loans credited at the end of the year) is caused by the following factors (Footnote 1) (The total per capita difference is explained by conversion of the effect of individual factors per capita. This does not imply that every factor existing between the SSR and the CSR may be completely equalized.):

Factor	Difference in Kcs	Share of factor in percent
1. Factors leading to greater difference in earnings:		
--lower share of employees in post-productive age in total population	465	16.9
--fewer economically active persons of productive age	634	23.0
--lower incomes from pensions	712	25.9
--lower average wages of workers in the socialist sector (not including JRD [unified agricultural cooperatives])	726	26.4
--lower share of students in the population of productive age	144	5.2
--lower average cash earnings in the JRD and agriculture	93	3.4
--lower cash flow from the CSR to SSR, such as wages of workers leaving for employment in the CSR	187	6.8
--fewer foreign nationals employed in the SSR	82	3.0
--lower level of other incomes	312	11.3
2. Factors narrowing the difference in incomes		
--lower share of workers in the socialist sector in the total number of employees in the SSR national economy	-100	- 3.6
--different share of persons of productive age	-241	- 8.7
--higher incomes from health insurance in the SSR	-110	- 4.0
--higher per capita loans in the SSR	-152	- 5.5
Totals	2,752	100.0

While aggregating factors that affect the difference in personal income in the SSR as compared with the CSR, it was determined that the share of economic factors in the development was gradually declining. In 1975 the share of economic factors amounted to 44.5 percent; in 1983 it dropped to 41.7 percent.

Total difference in cash earnings may be further reduced by higher employment of housewives, by lower migration for work in distant areas, and especially by creating conditions to narrow the differences in the amount of wage earnings by increasing social productivity of labor and efficiency of production.

Table 3. Development of Personal Cash Expenditures

		1970	1975	1980	1982	1983	1975/1970	1980/1975	1983/1980	1983/1970
Personal cash expenditures total in Kcs million	ČSSR	226 358	292 057	356 852	381 788	393 475	129,0	122,2	110,3	173,8
	ČSR	164 545	207 460	248 831	265 422	272 825	126,1	119,9	109,6	165,8
	SSR	61 813	84 597	108 021	116 366	120 650	136,9	127,7	111,7	195,2
	SSR/ČSSR v %	27,3	29	30,3	30,5	30,7				
Total per capita cash expenditures in Kcs	ČSSR	15 792	19 731	23 307	24 641	25 527	124,9	118,1	109,5	161,6
	ČSR	16 781	20 617	24 096	25 731	26 429	122,9	116,9	109,7	157,5
	SSR	13 650	17 850	21 672	23 024	23 696	130,8	121,4	109,3	173,6
	SSR—ČSR	—3 131	—2 767	—2 424	—2 707	—2733	88,4	87,6	112,7	87,3
	SSR/ČSR v %	81.3	86,6	89,9	89,5	89,7				
Change in the situation of savings in Kcs million	ČSSR	10 316	10 564	10 405	12 510	16 147	102,4	98,5	155,2	156,5
	ČSR	7 553	7 015	6 888	8 601	10 936	92,9	98,2	158,8	144,8
	SSR	2 763	3 549	3517	3 909	5 211	128,4	99,1	148,2	188,6
	SSR/ČSSR v %	26,8	33,6	33,8	31,2	32,3				
Change in the situation of per capita savings in Kcs	ČSSR	720	714	680	814	1 048	99,2	95,2	154,1	145,6
	ČSR	770	697	667	834	1 059	90,5	95,7	158,8	137,5
	SSR	610	749	706	773	1 023	122,8	94,3	144,9	167,7
	SSR—ČSR	—160	52	39	—61	—36		75,0		22,5
	SSR/ČSR v %	79,2	107,5	105,8	92,7	96,6				
Taxes, customs duties, and levies in Kcs million	ČSSR	25 391	32 079	40 967	43 589	45 153	126,3	127,7	110,2	177,8
	ČSR	19 003	23 407	29 238	31 081	32 079	123,2	124,9	109,7	168,8
	SSR	6 388	8 672	11 729	12 508	13 074	135,8	135,3	111,5	204,7
	SSR/ČSSR v %	25,2	27	28,6	28,7	29				
Per capita taxes, customs duties, and levies in Kcs	ČSSR	1 771	2 167	2 676	2 836	2929	122,4	123,5	109,5	165.4
	ČSR	1 938	2 326	2 831	3 013	3108	120,0	121,7	109,8	160,4
	SSR	1 411	1 830	2 353	2 475	2568	129,7	128,6	109,1	182,0
	SSR—ČSR	—527	—496	—478	—538	—540	94,1	96,4	113,0	102,5
	SSR/ČSR v %	72.6	78,7	83,1	82,1	82,6				
Repayment of loans—including interest in Kcs million	ČSSR	5 391	8 033	11 135	11 889	12 206	149,0	138,6	109,6	226,4
	ČSR	3 441	5 113	7 016	7 445	7 646	148,6	137,2	109,0	222,2
	SSR	1 950	2 920	4 119	4 444	4 560	149,7	141,1	110,7	233,8
	SSR/ČSSR v %	36.2	36,4	37	37,4	37,4				
Per capita repayment of loans—in Kcs	ČSSR	376	543	727	774	792	144,4	133,9	108,9	210,6
	ČSR	351	508	679	722	741	144,7	133,7	109,1	211,1
	SSR	431	616	826	879	896	142,9	134,1	108,5	207,9
	SSR—ČSR	80	108	147	157	155	135,0	136,1	105,4	193,8
	SSR/ČSR v %	122.8	121,3	121,6	121,7	120,9				

[continued]

[Continuation of Table 3--Development of Personal Cash Expenditures]

Payments for services in Kcs million	ČSSR	28 780	37 039	48 478	51 665	52 802	128,7	130,9	108,9	183,5
	ČSR	21 343	26 875	34 151	36 448	37 276	125,9	127,1	109,2	174,7
	SSR	7 437	10 164	14 327	15 217	15 526	136,7	141,0	108,4	208,8
	SSR/ČSSR v %	25,8	27,4	29,6	29,5	29,4				
Per capita payment for services3--in Kcs		2 008	2 502	3 166	3 362	3 426	124,6	126,5	108,2	170,6
	ČSR	2 177	2 671	3 307	3 533	3 611	122,7	123,8	109,2	165,9
	SSR	1 642	2 145	2 874	3 011	3 049	130,6	134,0	106,1	185.7
	SSR—ČSR	—535	—526	—433	—522	—562	98,3	82,3	129,8	105,0
	SSR/ČSR v %	75.4	80,3		85,2	84,4				
Purchase of goods in retail stores--in Kcs million	ČSSR	149 881	194 228	232 065	243 688	250 572	129,6	119,5	108,0	167,2
	ČSR	108 199	137 755	161 661	168 709	173 022	127,3	117,4	107,0	159,9
	SSR	41 682	56 473	70 404	74 979	77 550	135,5	124,7	110,1	186,1
	SSR/ČSSR v %	27,8	29,1	30,3	30,8	30,9				
Per capita purchase of goods in retail stores--in Kcs	ČSSR	10 457	13 122	15 157	15 856	16 256	125,5	115,5	107,3	155,5
	ČSR	11 035	13 690	15 655	16 356	16 761	124,1	114,4	107,1	151,9
	SSR	9 204	11 916	14 125	14 835	15 231	129,5	118,5	107,8	165,5
	SSR—ČSR	—1 831	—1 774	—1 530	—1 521	—1 530	96,9	86,2	100,0	83,6
	SSR/ČSR v %	83,4	87	90,2	90,7	90,9				
Procurement of products in JRD--in Kcs million	ČSSR	865	1 177	1 073	1 287	1 517	136,1	91,2	141,4	175,4
	ČSR	658	735	703	900	1 103	111,7	95,6	156,9	167,6
	SSR	207	442	370	387	414	213,5	83,7	111,9	200,0
	SSR/ČSSR v %	23,9	37,6	34,5	30,1	27,3				
Per capita procurement of products in JRD--in Kcs	ČSSR	60	80	70	84	98	133,3	87,5	140,0	163,3
	ČSR	67	73	68	87	107	109,0	93,2	157,4	159,7
	SSR	46	93	74	77	81	202,2	79,6	109,5	176,1
	SSR—ČSR	—21	20	6	—10	—26		30,0		123,8
	SSR/ČSR v %	68,7	127,4	108,8	88,5	75,7				
Other expenditures in Kcs million	ČSSR	5 734	8 937	12 729	17 160	15 078	155,9	142,4	118,5	263,0
	ČSR	4 348	6 560	9 174	12 238	10 763	150,9	139,8	117,3	247,5
	SSR	1 386	2 377	3 555	4 922	4 315	171,5	149,6	121,4	311,3
	SSR/ČSSR v %	24,2	26,6	27,9	28,7	28,6				
Other per capita expenditures in Kcs	ČSSR	400	604	, 831	1117	978	151,0	137,6	117,7	244,5
	ČSR	443	652	888	1186	1 043	147,2	136,2	117,5	235,4
	SSR	306	502	713	974	847	164,1	142,0	118,8	276,8
	SSR—ČSR	—137	—150	—175	—212	—196	109,5	116,7	112,0	143,1
	SSR/ČSR v %	69,1	77	80,3	82,1	81,2				

Historically, the differences in pension benefits are relatively objective. They are determined by appropriate regulations, a lower share of the elderly, and lower average old-age and disability pension benefits derived from lower average wage earnings in the past.

Per capita cash expenditures are a specific and at the same time, the most significant form of transacting a fundamental part of personal consumption and of services for payment offered to the population. The development of basic types of per capita cash expenditures appears in Table 3.

For cash expenditure of the SSR population it is characteristic that the share of purchases in stores (statewide) is nearly identical as the share of total personal earnings (or expenditures) of our population. After 1975 the share in savings increments was expanded; the average increase of per capita savings was higher in the SSR than in the CSR. Obviously, this reflects the process of creation of savings in conjunction with higher earnings, which had occurred in the CSR earlier. Other factors in per capita expenditures, in which the SSR holds a higher share than its share of the population, are payments of loans and procurement in JRD's. In addition to repayments of loans, all per capita expenditures in the SSR achieved higher dynamism than in the CSR.

In the above-mentioned period the share of incomes earned in the structure of personal incomes was in the range from 95.5 percent to 96.7 percent (Table 4).

Table 4. Development of the Structure of Personal Cash Expenditures in the SSR (in percent and points)

Indicator	1970	1975	1980	1982	1983	Change in 1983 as compared with 1970
Total personal cash expenditures	100.0	100.0	100.0	100.0	100.0	--
Purchase of goods in retail stores	67.7	66.8	65.2	64.4	64.3	-3.4
Procurement of products in JRD	0.3	0.5	0.3	0.3	0.3	0.0
Payments for services	12.0	12.0	13.3	13.1	12.9	+0.9
Taxes, customs duties, and levies	9.8	10.2	10.9	10.7	10.8	+1.0
Repayment of loans	2.9	3.1	3.4	3.4	3.8	+0.9
Change in the situation of savings	4.5	4.2	3.3	4.2	4.3	-0.2
Other expenditures	2.8	3.2	3.6	3.9	3.6	+0.8

Incomes earned were relatively more intensive especially in 1980 when the share of the change in the situation of savings amounted to only 3.3 percent, while in other years under discussion it was from 4.2 to 4.5 percent.

Among aggregated personal incomes the share of taxes, customs duties, and levies followed a basically ascending trend of development, particularly in conjunction with the increase of average income tax rates, which was due especially to the declining share of children in families, or to families without minor children. In conjunction with the increase in loans to the population, the share of repayments of loans to state savings banks increased. The share of other expenditures, primarily insurance payments to state insurance agencies, bets in the Sazka enterprise, etc., rose to a relatively major degree. A positive factor is that circumstance that the share of personal payments for services is increasing; however, the increase is due mainly to higher expenditures of the population for housing and for payments for communications (higher financial participation of the population in the financing of housing construction, and higher rates for communications).

In view of the greater share of all the above-mentioned basic groups of personal expenditures in total expenditures of the population, the share of the main item in personal expenditures--purchases of goods in retail stores--declined by 3.4 points. In 1983 its share in total personal expenditures was 64.3 percent. The main part of personal consumption is practically transacted in this fashion.

When comparing the development in the SSR with that in the CSR, one may note that due to higher rates of growth of personal earnings in the SSR, individual types of personal cash expenditures achieved higher rates of growth, but with that difference that while customs and levies in the CSR achieved higher rates of tax increase than of payments for services, in the SSR it was exactly the opposite, because of the more rapidly expanding services in the SSR and of lower taxation of wage earnings due to a higher share of children in families, a lower share of childless families, and a higher share of wages earned in the JRD's which are not subject to income taxes.

One of the specific indicators of realization of personal incomes (in the form of their expenditures) and of the living standard is the furnishing of households with durable goods (Table 5).

From the five types of durable goods listed here, the rate of equipment with four (except for passenger automobiles) in 1983 was 100 or more items per 100 households. In 1971-1983 the standard of furnishing in the SSR rose 1.4 times up to almost 300 percent (passenger automobiles). At the same time the ratio of the SSR to the CSR is essentially the same as in aggregated personal incomes. The rate of furnishings is lower--from 4 percent (refrigerators) to 24 percent (passenger automobiles).

See Table 6 for the effect of the changes in personal savings in the form of bank deposits and cash on hand.

In 1971-1983 total personal savings increased in the SSR almost 3.4 times and in the CSR 2.8 times. In per capita conversion the situation of personal savings in the SSR amounted in 1983 to more than Kcs 14,000, while the share of personal savings in the SSR was up from 26.2 percent in 1970 to 30.2 percent in 1983 (the share of the SSR in total population was 33 percent). Nevertheless, in per capita conversion the difference between the situation of savings in the CSR and in the SSR continued to grow in the above-mentioned

Table 5. Development of Household Furnishing With Durable Goods in the CSSR, CSR, and SSR (in units per 100 households)

Indicator		1970	1980	1983	Index 1983/1970
Household furnishings:					
— Refrigerators	ČSSR	56	92	106	189
	ČSR	58	92	108	186
	SSR	51	90	104	204
	SSR—ČSR	—7	—2	—4	—
— Washing machines	ČSSR	86	124	139	162
	ČSR	91	130	146	160
	SSR	74	109	122	165
	SSR—ČSR	—17	—21	—24	—
— Radios	ČSSR	140	182	192	137
	ČSR	142	188	196	138
	SSR	133	171	182	137
	SSR—ČSR	—9	—17	—14	—
— Passenger automobiles	ČSSR	18	42	47	261
	ČSR	20	45	50	250
	SSR	13	33	38	292
	SSR—ČSR	—7	—12	—12	—
— Televisions	ČSSR	78	112	116	149
	ČSR	83	116	120	145
	SSR	66	102	109	165
	SSR—ČSR	—17	—14	—11	—

Table 6. Situation of Personal Savings—Bank Deposits and Cash on Hand (in million Kcs at the end of the year)

Territory	1970	1975	1980	1983	Change in 1983 as compared with 1970	Index 1983/1970
a) situation in Kcs million						
ČSSR	80 161	141 720	194 910	237 700	157 539	297
ČSR	59 156	102 336	136 683	165 933	106 777	281
SSR	21 005	39 384	58 227	71 767	50 762	342
SSR/ČSR in percent	26,2	27,8	29,9	30,2	4,0	—
b) per capita in Kcs						
ČSSR	5 592	9 574	12 730	15 399	9 807	275
ČSR	6 033	10 170	13 235	16 069	10 036	266
SSR	4 639	8 311	11 683	14 044	9 405	303
ČSR — SSR	—1 394	—1 859	—1 552	—2 025	631	145
SSR/ČSR in percent	76,9	81,7	88,3	87,4	10,5	—

period by 45 percent. However, in relative expression the difference declined from 23.1 percent in 1970 to 12.6 percent in 1983. Although in comparison with the CSSR the difference in the situation of personal savings in the SSR in per capita conversion increased in the 1971-1983 period, the difference in relative expression was relatively greatly reduced. In 1983 the difference in personal savings in the SSR in per capita conversion represented in relative expression only slightly more (12.6 percent) than in personal incomes (10.3 percent), however, the absolute difference in the situation of per capita savings in the SSR was reduced between 1976 and 1980 as compared with the CSR (from Kcs 1,859 in 1975 to Kcs 1,552 in 1980). In 1981-1983 the difference rose again almost above the 1975 level (Kcs 2,025). The connection with the growth of absolute differences in personal earnings in the SSR (in per capita conversion) as compared with the CSR is evident (for details see Table 1). In general, the development of personal savings in the form of bank deposits and cash on hand is in proportion with the development of aggregate personal earnings.

The data on the development of personal cash income and expenditures confirm in their way the statements made at the 16th CPCZ Congress (in the report on the party's activity and the development of society since the 15th CPCZ Congress): "We have every right to note with pride that the task to overcome the differences existing historically in economic, political, and cultural conditions of our nations has been essentially fulfilled."

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9004/9365
CSO: 2400/160

STATISTICAL DATA STRESS ROLE OF KEY TECHNOLOGIES, COMBINES

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 20 Jan 86 p 4

[Article by Gz. datelined Berlin 19 Jan: "GDR Statisticians Are Satisfied" /Methods of Computation Unclear as Always/ The Importance of Combines]

[Text] If one follows regularly what can be read daily in letters to the editor and self-imposed obligations by enterprises, one must come to the conclusion that until mid-April there is no other topic in the GDR except the "worthy preparation" of the 11th Party Congress. It is not difficult for GDR statisticians to use the label "particularly successful" for the past year. The growth rate, regardless of how it was computed, appears satisfactory, and the SED is also content with performances in agriculture. 1985 was the last year of the 5-year plan 1981 to 1985; but since the figures for December are only tentative, it is not certain whether the goals of the 5-year plan were achieved. 1982 was a bad year, particularly because of low agricultural yields; the shortfalls may have been partially made up.

Since there exist no price statistics whatsoever, it is not possible to assess on an economic policy basis the drop in the growth rate from 5.5 to 4.8 percent of "produced national income;" of importance is the increase in work productivity from 7.7 to 8.4 percent, surely a result of the efforts of industrial combines to lower their costs and to economize with materials. GDR statisticians claim that real income has risen by 5 percent (in 1984, an increase of 4 percent was reported), but no one knows how this increase was computed. The increase in the population's net monetary income of 4 percent is roughly the same as in the previous year. The supply of motor vehicles for the population (allocation rate per 100 households) rose from 42 to 45 percent; by now, almost every household has a refrigerator and a washing machine. Manufacture of color television sets and freezers rose strongly. The report notes that the population was supplied more reliably with "the thousand little things;" there was progress in the supply of spare parts, also.

What is new in the organization of the voluminous data report is the fact that the subject "science and technology" heads the list. For some time now, so-called "key technologies" have become a constant topic in GDR publications. In trade with the "capitalist industrial countries," the GDR has maintained and enlarged its position on foreign markets, particularly through "more effective selling and marketing work" and the increased capability of many combines to react to new demands of foreign markets, to make the production structure correspondingly more flexible, and to make new results of scientific-technical progress production effective in a very short time.

From the figures one can deduce that ever greater tasks are being given to industrial combines, "the backbone of proven socialist planned economy." It seems, however, that extensive division of labor, characteristic of modern industrial states, is becoming less so. For instance, the combines must increasingly make up the shortfall in modernizing their installations through construction of their own rationalization means; they are to produce more consumer goods and develop their own software for computers and robots which are increasing in use.

The statistical report, three-and-a-half pages in the SED central organ NEUES DEUTSCHLAND, names a great number of enterprises which had fulfilled their obligations; the list starts with the big, well-known, and again praised, combines such as "Carl Zeiss Jena" or the petrochemical combine in Schwedt, down to the baked goods combine in Gera and the Auerbach section of the dairy in Plauen/Vogtland which increased its production of soft and hard cheeses. It is also pointed out that the production of seagoing and coastal vessels was increased by almost 25 percent. The ships built in GDR shipyards are mostly delivered to the Soviet Union.

As has been noticed for years, the trend continues to build fewer new apartments and to use the funds and labor instead for modernizing a greater number of old apartment buildings. Overall, construction activities have increased further. A special section is devoted to the capital of the GDR; in East Berlin about 33,400 apartments were newly constructed, almost 10,000 more than in the previous year. As in past years, savings deposits rose by almost 6 billion Marks.

Foreign trade figures are sparse as always. Turnover, counting imports and exports together, rose from 174 to 180 billion units of account. In foreign trade with socialist and non-socialist countries a "significant export surplus" was achieved in the amount of 7 billion Marks (6.4 billion Marks in the previous year). Two-thirds of GDR foreign trade is effected with partners in the socialist economic area; the foreign trade turnover with the Soviet Union rose by 4 percent to 70 billion units of account.

9917
CSO: 2300/207

DLUGOSZ DEFENDS ECONOMIC SITUATION

Warsaw RZECZPOSPOLITA in Polish 12 Feb 86 p 3

[Interview with Stanislaw Dlugosz, deputy chairman of the Planning Commission of the Council of Ministers, by Tomasz Bartoszewicz; date and place not specified: "Poland Wants to Be a Trustworthy Partner"]

[Text] Recently a significant number of articles have appeared in the Polish press and abroad that place question mark over the condition of our economy and the ability of Poland to extricate itself from the obligations it has assumed with respect to its foreign partners. In connection with this, a journalist from RZECZPOSPOLITA arranged an interview with Stanislaw Dlugosz, deputy chairman of the Planning Commission of the Council of Ministers.

[Question] Mr. Minister, some publications have expressed the idea that our economy has entered a phase of stagnation. Is it really this bad?

[Answer] There are even statements suggesting that we are in a phase of "degradation." The answer to this question is quite difficult. In many centers even an objective presentation of the condition of our economy engenders charges of practicing a "propaganda of success" in the style of the 1970's. Let us try, however, to consider some irrefutable facts.

I would begin with the fact that one of the few areas of consensus of the majority of economists and journalists in our country is that participation in international economic cooperation is an indispensable and advantageous factor. By-passing a small number of exceptions that have a decidedly pathological character, everyone agrees that export is the factor that will drive the economy. In the basis of this consensus, in foreign trade, we should present ourselves as an interesting partner with whom it would simply pay to cooperate. This, then, is a concept of adequately presenting our capabilities and trump cards, speaking openly about deficiencies without making ourselves out to be the sick man of Europe. At the same time, we must take into account that what we say is analyzed in detail both in the West and in the East... In the next few years, the competition in the international markets will increase, and in our community, competition for access to the USSR market.

[Question] Are you saying, sir, that our foreign partners are disturbed by certain signals?

[Answer] First of all, to both Polish public opinion and our foreign partners, I would like to say that the idea of drastic deterioration in the state of our economy is greatly exaggerated. Neither is there any basis for the statement that the economy cannot be "controlled" toward development.

[Question] What specific arguments are put forth by the critics and how would you reply to them?

[Answer] The ranking of our "weak points" depends to a substantial degree on the world view of the writers. Together with objective, but critical analysis, we meet with the "sensational," intended to win the applause of certain groups in Poland or abroad.

[Question] Let us begin, perhaps, with the question of being "uncontrollable."

[Answer] Evidence of "controllability" of our economy are at least the results of our cooperation with the CEMA countries, also the increase in agricultural production. Should this increase be ascribed exclusively to favorable climatic conditions, or is it also due in no small degree to the conscious and effective actions of the state agricultural policy? Some writers move toward questioning the entire postwar achievements of our country, maintaining that "Communism has brought only misfortune to Poland." I do not want to go into particulars, so I will only recommend reading the data provided by the Central Office of Statistics in the small statistical annual No 1938 for the current period. Please look at least at such areas as unemployment, illiteracy, yield of grain, or industrial production.

[Question] These are so-called obvious facts. Only persons blinded by hatred would negate progress in relation to the prewar period. This is, however, not adequate proof for progress over the more than 40 years since the end of the war.

[Answer] Obviously. For the sake of order, however, I noted that we can hear even such voices. Much more frequently we meet with criticism of the achievements since 1981. Some writers say that there is a steady regression and that we will not be able to reach the level of the 1970's. I have no intention of claiming that we have already caught up with all the arrears of the crisis. But there is no way that progress can go unnoticed. The facts are evidence of progress. Let us take, for example, an area that has been criticized, such as the book market. In 1975, during the peak of the boom, 143.9 million books and brochures were published. In 1980, at the beginning of the crisis, 147.1 million, and in 1984, 229.8 million. The state of our hospitalization is very much criticized. Let us count the number of beds in hospitals. In 1975, there were 188,400; in 1980, 200,000; and in 1983, 208,500. A third example: we are experiencing inadequate supplies of television sets, especially the black and white. Let us consider the number of viewers. In 1975, there were 6.5 million, in 1980, 7.9 million; and in 1983, more than 8.5 million.

[Question] But this is not proof of complete elimination of the results of the crisis.

[Answer] I did not intend it to be such proof since that would be untrue. I only wanted to convey the idea that during the years from 1982 to 1985 our country experienced definite development in some areas, although it was not, to be sure, as rapid as we might have wished.

Let us return, however, to the critics. They make a great deal of noise about the weaker results of our management in 1985. No one, especially among responsbile people, questions the fact that the past year was worse than our plan anticipated. But if we want to evaluate the matter objectively, we must look at the developmental trends. Here, in comparing the dynamics of growth in industrial production in specific quarters, we see the following picture: the first quarter of 1985 compared to the first quarter of 1984, 100.7; the second quarter, 103.7; the third quarter, 104.0; and the fourth quarter, 106.7, respectively. The dynamics were toward an increase. In the same way, we cannot speak of stagnation in 1985. If, however, we treat the matter more broadly, then we have, of course, carried out the three-year plan in the basic indicators despite external conditions that were not always favorable, and relations with the capitalist countries that were decidedly unfavorable. Even western experts, who cannot be accused of having political sympathies for Poland, stated in a report published at the end of 1985: "Beginning with the second quarter of 1982, there has been a revitalization of economic activity."

[Question] Since we are speaking of the results for 1985, a dark point is, perhaps, export to the second payments area.

[Answer] This is quite true, but this point is not as dark as it is sometimes presented. It is, moreover, an area on which our critics concentrate their attention. They accuse us mainly of a lack of pro-export tendencies in our economy.

[Question] And is this not true?

[Answer] I would be the last person in Poland to express satisfaction with the level of export to both payment areas. First of all, we have too little participation in industrial production for export, in production in general, and by the same token, the structure of export is not commensurate with our economic potential. Too few enterprises are interested in expanding to foreign markets. This unsatisfactory state of affairs must not, however, hide objective facts. First, since the beginning of the 1980's, we have been faced with objectively unfavorable conditions in trade with capitalist countries (weak relations, increasing tendencies toward protectionism, and finally, an unfavorable political climate). Second, in its assortment, our export to the second payments area was equal (in constant prices) to the highest export level in 1980, but we must remember that the record results of 1980 were achieved as a result of the decision to remove a significant amount of goods from the internal market and from internal supplies.

[Question] In value, however, we have a distance to go to the $8 billion that we obtained from export in 1980.

[Answer] This is true, but the export effort must be evaluated through the prism of volume. Also, we must take three factors into account. First, I would list the drastic drop in imports from capitalist countries through no fault of ours. In the material sense, today we import approximately 50 percent as much as in 1980. Neither can we omit the open problem of great losses, in the order of several billion dollars, that our economy suffered as a result of restrictions. Finally, we must remember that in the years 1981-1985, we were granted $7.5 million in credit and have paid our creditors more than $13 billion.

These three factors indicate the degree of encumbrance of our national economy, which in spite of this, was able to return to trends toward development. This was done, however, at a definite cost, and I would like to mention yet another proinflation factor. The fact that our economy was capable of this effort is the best evidence of its controllability and of our readiness for complete normalization of financial-economic relations with capitalist countries. Nevertheless, there is no suitable response from the other side.

[Question] Undoubtedly, we were encumbered with paying interest on credits to western creditors. At the same time, we did benefit from credits from the USSR.

[Answer] Up to 1980, our trade with socialist countries was in balance. In the last few years, we did take advantage of credit assistance, principally from the USSR. These are credits under very favorable conditions (low interest rates). This situation will persist for two or three years, then we will return to a balance in trade in order to pay off our indebtedness on time. This is a result of the process of coordinating multiyear plans with the CEMA countries. I do not want to say anything more on this subject since it deserves a separate, broader discussion. It is, however, an indisputable matter that cooperation with the CEMA countries is our one possibility for modernizing our economy. The West has fenced itself off from us with an embargo wall. Not to notice this and to undervalue at the same time the significance of our ties with CEMA countries has nothing in common with objective economic analysis, but views of this kind can be found even in seemingly serious publications.

[Question] In concluding our conversation, I would like to ask for a comment on what is being said on the subject of the supposed breakdown of the economic reform.

[Answer] Instead of answering this, I will quote the words of General Jaruzelski in his speech before the Commission on Economic Reform: "Reform, as is apparent from the word, is not a static category; based on fundamental principles, it should constantly improve its forms, its specific solutions and mechanisms, and this is, after all, what has been systematically realized in the past years."

2950
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LETTERS TO AGRICULTURAL FUND COMMITTEE REVIEWED

Warsaw PRZEGLAD KATOLICKI in Polish No 6, 9 Feb 86 p 3

[Article by Slawomir Siwek: "Letters from Farmers: Waiting for the Foundation"]

[Text] I analyzed 140 letters that came to the Organizing Committee of the Agricultural Foundation in 1984 and 1985; these letters pertained to most important matters. I saw 106 personal applications for work or cooperation with the Foundation. Finally I saw 223 farm applications that were at that time on the agenda of the Committee. The applications were sorted into 10 programs that the Foundation intends to implement.

The letters that came pertain to social questions (relief, outright grants in connection with natural disasters or the age of the farmer) as well as questions of credit (questions on the conditions for credit to be granted, or application for credit), or purchase assignment of farm machinery. This type of petition appeared more often at the beginning phase of the venture. In 1982 and 1983, the majority of the letters asked for charitable assistance, many of those applying personally to the Foundation believed that the "Church is creating still another charitable committee."

Some of the letters pertained to conditions for obtaining help with credit for developing a private shop for manufacturing or for providing a service. There were also general statements and remarks of the writers about ideas and institutions of the Foundation. These are sent to the experts working on the programs, and some of them become the subject of discussion for the whole Committee. It should be stressed that there were very few letters that attacked the idea, undermined its significance, or questioned whether it makes sense in general in our economic system. These came from city people and not from the farmers.

Finally, there were quite a few letters asking for additional information about the Foundation because the writers were interested and wanted to send in specific economic applications.

The Committee also has in its folders a special group of letters. These are applications written in the name of parishioners or by the pastor of a village parish himself. From these letters, it is clear that whole villages, not just individual farmers, are expressing great needs.

There are also expressions of a desire for economic cooperation sent by directors or presidents of various enterprises or associations. These expressions are evidence that if the Foundation becomes a part of the system of a reformed economy, such cooperation is not only possible, but is necessary. These letters indicate also that many leaders of enterprises know how to work without restraint, and how to cooperate with institutions of a new kind without being afraid of the economic risk of such cooperation. This is encouraging and constitutes an interesting motivation for discussion of the possibilities of Poles working under normal relations and economic conditions.

Perhaps this is the source of the concern of Jan S., of Warsaw, who in his very serious letter, shared his thoughts on this subject; he wrote that "...we must aim at the Foundation's having a lasting character." This is true -- there is nothing worse in managing than uncertainty about tomorrow. Jerzy K. from Radom Province, in a comprehensive "Discussion of the Proposed Foundation," wrote: "We must remember that the effectiveness of Polish agriculture depends not on the producers, but on the policy under which they operate, on certain economic mechanisms and moves of the authorities."

Meanwhile, Edward W., a farmer from Rzeszow Province added, "...during the last few years (especially in the second half of the 1970's) the Polish village suffered a significant transformation, particularly in certain places. It became a territory to which for the first time in history there was a massive flow of all kinds of technical equipment: tractors, automobiles, agricultural machinery. It was turned into a construction site in which much was invested in various ways. Observations indicate that almost 2/3 of the newly built construction in the villages actually appeared in the 1970's. Unfortunately, this advantageous process was not, and here lies the principal error, accompanied by a process of concurrent creation of a broadly understood infrastructure...specifically: there were inadequate supplies, neglect of important consequences resulted in bringing technical equipment to the villages without at the same time creating in them a network of points for servicing the equipment. Analogous to this is the problem of expanding the investment front in the villages and the gradual decline of interest in the possibilities of obtaining raw materials and producing construction materials. The Polish village...is experiencing a complete lack of service points for this mass of technical equipment..."

Let us now hear directly from those who are interested. Their letters speak for themselves. This is only a small fragment of the correspondence that comes from the villages. Perhaps the time will come for sociological and economic analysis of these voices; they give us picture of life, work problems, and cogitations of half of society, a picture that is not dimmed in any way, and is directly and indirectly connected with the part of the economy that is basic to our existence.

[Excerpts from Letters to the Foundation]

I would like to express my great concern about the Agricultural Foundation and its particular interest in the farmers of Pomorze. They place great hope in the activation of new departments for producing foodstuffs and in a certain increase in the numbers and modernization of machinery and equipment. The state of Polish agriculture continues to be catastrophic with respect to supply of machinery and equipment in view of the further drastic increase in prices of machinery as of 1 July 1985, as well as the scarcity of machinery and the difficulty of procuring it, even if the farmer has the money. -- Ludwik M., Gdansk Province.

(...) The Agricultural Foundation was established by the Church in agreement with the government for the purpose of helping individual farmers, who have been undervalued for years, although they feed us and have fed us; we must speed its implementation. Let all Polish organizations abroad and others rise up to revive the national economy, but the government of the Polish Peoples Republic must go forth to meet them... -- Konstanty Z., from a letter to the marshall of the Sejm, copy to the Agricultural Foundation.

(...) opens with an order for a set of equipment and pipes for building an artesian well and water pipeline. This would be a project for the parish of the village R. in Radom Province... (...) hereby presents the requisition of the village K. for the construction of a water pipeline and restoring to service the stopped up artesian well. This project is of interest to 150 families, and the construction would be sponsored by the pastor of the local parish... -- Leokadia G., master of law, farmer.

Those now living in our village number 367. We would like to inform you that in our village, as in the neighboring villages, there are no shops of the water-sanitation branch... At present, our committee has ordered documentation for a water conduit network (each farm would have one water terminal). We already have a project director who undertook to prepare the documentation for reconstructing the water supply to the tannery to supply the village with water. We have had initial discussions with the contractor who undertook to build the water conduit network... -- Community Committee for the Construction of a Water Conduit in Ch., Zamosc Province.

I am turning to you with a request that our cooperative be assigned a grain and potato combine. Our village, numbering 60 houses and 14 outlying establishments, has no machine of that type... -- 14 signatures, Biala Podlaska Province.

A team of specialists in agriculture of the pastoral center in S. would like to inform you that the local peasant farms need the following production equipment: (list)... -- five signatures, Tarnobrzeg Province.

We (three persons) are at the stage of organizing a plant for producing insulating-structural elements for village construction. We have the necessary materials base. We need to find a cooperative consultant so that what we produce would be easy to dispose of and would be entirely up-to-date. -- Adam T., Katowice Province.

There are 18 farms of average size in our village. The village would be glad to buy machinery and a tractor. I am a driver and mechanic. I would gladly undertake to serve the farms and to repair the machinery... -- Barbara and Jaroslaw C., Bialystok Province.

I have at my disposal an unusually large site on which stores and umbrella roofs could be built with the assistance of the Foundation. On this site, we could also set up a district service point and emergency repair station for equipment received from the Foundation... -- Antoni H., Ciechanow Province.

With the help of the Foundation, my family and I could enlarge our shop and provide services to the village in the fields of general locksmithing, installation of water canals, and even tractor repair... -- Kazimierz J., Lodz Province.

We had the idea that with the help of the Foundation, we could refurbish our old school and create some kind of center for agricultural information here... Stanislawa M., Siedlece Province.

I am asking you kindly to get me some farm machinery... My request is motivated by the fact that for five years I have been asking for these machines with no effect; many are willing, but the state allotment is small in our region... -- Franciszek Z., Hrubieszow Community.

(...) I have thus far not received even one farm machine from the administration of the community; I need this machinery very much on my farm. In connection with this, I sincerely ask the Organizing Committee of the Agricultural Foundation to make it possible for me to buy farm machinery... -- Edmund P., Czestochowa Province.

[----] [Regulation of 31 July 1981, On the Control of Publication and Spectacles, Art 2, Pt 6 (Official Gazette, No 20, Item 99, revised 1983, Official Gazette, No 44, Item 204)].

(Excerpts of materials published in the Circular Letter of the Polish Episcopate, No 51/85, edited by Slawomir Siwek.

2950
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BRIEFS

COMMON MARKET REPS ON POLISH FOREIGN TRADE--The subject of the discussion between Chairman of the Polish Chamber of Foreign Trade R. Karski and representatives of the chemical and petrochemical industries' associations of the ECM countries M. Cockburn and R. H. Hoskin, on the 16th of this month, were the means of functioning of the Polish exporters in foreign markets. M. Cockburn also gave a lecture devoted to the problems of ECM. [Text] [Warsaw ZYCIE WARSZAWY in Polish 17 Sep 85 p 2] 12916/7687

CEMA MEETING ON ENERGY--The 10th session of the representatives of CEMA countries with participation of scientists from Yugoslavia and Finland has begun at Cracow's Stanislaw Staszic Academy of Mining and Metallurgy. Among other things, participants of the meeting will reach agreements on the subject of common plan of research for 1986 and in the next 5 years in the area of work on unconventional energy sources. [Text] [Warsaw ZYCIE WARSZAWY in Polish 17 Sep 85 p 2] 12916/7687

CEMA COAL INDUSTRY COMMISSION--On the 23rd of this month a delegation of Polish coal industry representatives left for Bucharest. The delegation will take part in a several-day session of the Permanent CEMA Commission for the Coal Industry. The deliberations of the Permanent Coal Commission will take place in Dewa, and will be presided over by the permanent chairman of the commission, minister of mining and metallurgy in the Polish People's Republic, Czeslaw Piotrowski. Among things presented at the session will be information about the results of coordination of coal industry plans of CEMA countries for the years 1986-1990, means of increasing cooperation in scientific-technical fields as well as in the area of work safety and mining machinery industry. Poland's proposal pertaining to the joint exploitation of coal deposits in Lublin Coal Basin will also be discussed. [Text] [Warsaw RZECZPOSPOLITA in Polish 24 Sep 85 p 2] 12916/7687

CSO: 2600/52

INDUSTRIAL RESTRUCTURING TO SAVE ENERGY, RESOURCES

Bucharest REVISTA ECONOMICA in Romanian 4 Jan 86 pp 13, 15

[Article by Gheorghe Manea: "Decisive Actions and Measures for Developing the Country's Energy Base: the Complex Integration of Industrial Platforms--a Way To Minimize Energy and Material Consumptions"]

[Text] The economization of the resources per unit of useful effect constitutes an objective law of economic progress, with the maximally efficient utilization of natural resources representing a central problem in the management and performance of all economic activity. In practice, the economization of resources covers a variety of solutions: the improvement of processing technologies to raise outputs in turning raw materials into finished products, the use of substitutes for scarce resources, the recovery and utilization of manufacturing byproducts, the reintroduction of reusable materials into the economic circuit, the reconditioning of parts and subassemblies, etc.

Among them, the recovery and utilization of manufacturing byproducts stand out as a first-rate solution due to the large volume of resources found in the form of manufacturing byproducts and scrap and due to the possibility of further processing into finished products. Clearly, the first form of utilization of byproducts is the recycling of them in the same manufacturing process, but most of the time this is not possible, and then the processing of byproducts must be done in separate installations, which may or may not be in the branch's field of production. The recovery of manufacturing byproducts and the utilization of them in installations differing as to field of production stand out as a chief attribute of the complex integration of industrial platforms.

Devised relatively recently (after the energy crisis in the 1970's), the concept of complex integration has as a basic objective the minimization of the consumption of material resources in an industrial zone; the objective is concretized in a certain organization of the industrial platforms. The horizontal integration of the industrial platforms, of the installations that generate manufacturing byproducts and of the ones that can efficiently process them, is characteristic of this organization. The novelty of the concept lies in combining--along the line of manufacturing products--industrial installations in a different field, such as, for instance: ferrous metallurgy and chemical fertilizer, oil refining and coal chemistry, coke chemistry and petrochemistry, etc. Also known in the economic literature by the term "conglomerates," the horizontally integrated industrial units are linked functionally by transportation networks (which can attain hundreds of kilometers in length) over which the manufacturing byproducts circulate from the suppliers to the consuming units. Such supplier-consumer "tandems" can be offered by many kinds of manufacturing:

Oxygen-blast steelmaking has as a byproduct concentrated carbon oxide (64 cubic meters of oxygen are consumed to make 1 ton of steel), which the chemical industry can process for the synthesis of intermediate compounds and finished products (methyl alcohol, organic acids, carbonization processes, etc);

The nitrogen resulting as a byproduct from installations for obtaining oxygen in ferrous metallurgy can become a basic element in the obtaining of nitrogenous fertilizer;

In addition to coke for ferrous metallurgy, combustible gas (rich in hydrogen) and tar are obtained from coal-coking installations; 2.34 million cubic meters of gas, including 1.3 billion cubic meters of hydrogen, are obtained for an output of 5 million tons of coke. After separation, the hydrogen can be directed to the chemical industry for the synthesis of ammonia and methanol, to coal chemistry for the synthesis of synthetic fuel, to oil refining as an agent for desulfurization and hydrofining of petroleum fuel, to the machine-building industry for cutting and welding operations, to the power industry for the generation of electric and thermal power, etc.;

The hydrogen, with a 62 percent concentration, that is obtained from the synthesis of acetylene from methane gas can be used to reduce iron ore in the modern procedures for obtaining spongy iron;

High-purity carbon dioxide, a byproduct in the making of ammonia or a result of fermentation processes in the food industry, can be used as a refrigerant, dry ice, in foundries in the metallurgical industry, in the chemical industry, for the obtaining of sodium carbonate, for injection into oil deposits to reactivate crude oil, as a medium for carrying pulverized coal in coal ducts, or in the food industry (carbonated beverages etc.);

Oil refineries generate as byproducts combustible gases that contain valuable components (ethane, propane, etc.); these components are also found in associated gases. The utilization of them, alone or together, can bring petrochemical raw materials into the economic circuit, with oil importation being reduced on this basis;

From the ferrous metallurgical units, from the CET's [thermoelectric power stations] that operate on the basis of coal, from the pyrite-burning installations (in sulfuric acid plants), from nonferrous metallurgy, etc. come large amounts of ash and slag that, suitably processed, enrich the list of useful products.

However, not only high-tonnage byproducts but also many other byproducts, in varying amounts, that accompany production activity are specific to the effecting processes. The inventorying of them, the physicochemical characterization, the collection and the utilization of them are activities more difficult to organize and perform than the reintroduction of high-tonnage byproducts into the economic circuit; however, they can stimulate the local development of small and medium-sized installations.

The horizontal integration of the economic units--according to the above-mentioned concept--begins with the utilization of high-tonnage manufacturing byproducts, which justifies the achievement and operation of industrial installations with optimum processing capacities from an economic viewpoint. As a world practice common to the industrially developed countries, in the horizontal integration of industrial platforms several trends and forms of organization have appeared, of which the following stand out: the collection of combustible gas byproducts (hydrogen, carbon monoxide, methane, C_2+ components, etc.) from the installations where they appear and the sending of them to potential consumers, which extract from the gas mixture the component needed by them and return the rest of the components to the network; the achievement of networks for direct transportation between installations complementary as to field, such as ferrous metallurgy and nitrogenous fertilizer, coke chemistry and petrochemistry, etc.; the achievement of networks specializing in primary elements (raw hydrogen, for example), which take the residual hydrogen from sodium-chloride-electrolysis installations, refineries, coking plants, etc. and direct it to the coal-chemical installations, ferrous metallurgy, machine building, etc. The same type of network can be conceived for carbon dioxide, which can cover a wide range of uses in the territory's economy. For low-tonnage byproducts a variety of means are being tried in order to return them to the economic circuit, means difficult to handle because they involve small producers, in particular, which are numerous and scattered over a vast territorial area and, in general, lack research and development sectors of their own that would devise technologies for processing the byproducts in the area.

The practices which have asserted themselves and which could be of interest for application in our country too are the following:

a) The founding of a research institute for the utilization of manufacturing byproducts, organized with territorial branches. Information about all inventoried byproducts in the economy, characteristics, and quantitative evaluations are kept in the institute's data bank. The institute's main tasks consist of establishing the conditions for storage and packaging, transportation, and utilization of byproducts, approving the technologies and equipment for utilization, and disseminating--for generalization--the research performed. For byproducts that do not yet have conditions for utilization, the institute indicates solutions for storage or neutralization; the last variant is recommended in the case in which they cause pollution;

b) Another form of organization, characterized by the facilitation of contacts between suppliers of and (potential) consumers for manufacturing byproducts consists of the so-called "scrap exchange," or a central organization (at the level of the national economy) with branches in the main industrial zones. This organization collects data and information on all manufacturing byproducts and scrap (including reusable materials coming from the network of the population's consumption), on the known technologies for utilization, and on the place where they are practiced. The selling and purchase prices of the manufacturing byproducts are set directly by the parties involved; the organization that facilitates the contact between the partners gets a commission from the volume of sales.

The vertical integration of industrial platforms is meant to ensure the normal operation of the economic units, independent of the economic and political situation on the market supplying raw materials. This trait specific to the complex integration of industrial platforms is concretized in: the promotion of alternative sources of raw materials, the securing of big reserve stocks (with corresponding technical and financial implications), and the providing of at least one source of supply of their own that would offer stability over time to the operation of the economic system.

Vertical integration is a component of the strategies for developing groups of products or industrial platforms; the harmonization of territorial development by "assembling" the strategies proper to each production unit must be done in accordance with the objective of the complex integration of industrial platforms. The utilization of the concept of the complex integration of industrial platforms as an instrument for the minimization of material consumption on a territorial basis entails:

1) The inventorying of the manufacturing byproducts coming from the industrial platforms that are situated on a relatively limited area (about 7,500 square km) and from all economic units on this area;

2) The possibility of the utilization of byproducts with the following being taken into account: the concentration of useful components, the technologies suited to utilization, and the efforts needed by the research and development sector for devising or assimilating the technologies needed for utilization and the corresponding implements and equipment; the economic units existing on the territory that can use manufacturing byproducts as raw materials; and the plans for economic development on a territorial basis;

3) The state's involvement for the financing of the construction of the main networks for transportation of manufacturing byproducts to consumers as well as the granting of loans for the operations of storage of byproducts until the solutions for utilization are found;

4) The founding of a central institute (with zonal branches) with a view to securing the utilization of low-tonnage byproducts;

5) The orientation of the programs for investments and for renewal of the fixed assets of the existing production units in order to delineate the integrated industrial platforms.

The possibilities offered for the development of the local economy and industry by byproducts from large-scale industry are immense. Among them are: the fertilization of soil by means of residual water containing ammonia coming from ammonia-synthesis installations; the taking and further processing of "offgrade" products from large-scale industry (finished products with characteristics below the quality standards) by local industry; the obtaining of construction materials (including of a composite type) from manufacturing scrap and byproducts; the utilization of residual carbon dioxide from large-scale industry or from fermentation processes in the food industry for the intensification of agricultural production in hothouses, the manufacture of carbonated beverages, the intensive cultivation of biomass, etc.; the founding of units for the reclamation of lubricants, the reconditioning of spare parts, the gasification of manufacturing byproducts (polymer scrap, wood scrap, etc.); and so on.

For Romania, a country where industry has been developed, in particular, in units of large dimensions, "the filling-in of the area of influence" of the industrial platforms with units of small-scale industry has become an urgent necessity, bearing in mind that they can efficiently and rapidly utilize manufacturing byproducts without requiring massive displacements of human groups or the making of large expenditures for achieving the infrastructure corresponding to the urban settlements adjacent to industrial platforms of large dimensions. Small-scale industry entails minimal energy consumptions, possible to provide from secondary energy resources from large-scale industry, and low capital investments for the means of production. The implementation of the first units of small-scale industry (in the 1986-1990 5-year period) under the auspices of the big enterprises could represent a solution for initiating a massive program for developing the small production units throughout the national economy, thus creating the system of the effects characteristic of industrial platforms with complex integration.

12105
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ECONOMY ROMANIA

INCREASED RESPONSIBILITY IN MANAGING ENTERPRISE PROPERTY URGED

Bucharest REVISTA ECONOMICA in Romania 4 Jan 86 p 17

[Article by Stefan Craciun: "The Growth of Responsibility in Administering the Enterprise's Holdings"]

[Text] The qualitative elements of the administration and development of socialist property acquires a special importance in the process of intensive development.

In this context, we want to dwell on the necessity of firmly following all instructions and provisions with regard to receiving assets and taking them under administration. To this end, in all enterprises it is imperative to understand the objective necessity of strengthening the direct collaboration of the technical personnel with the economic and financial personnel. It must be understood fully that the fulfillment of obligations such as the active participation of all members of the commissions with powers in the field in the reception of assets and the actual, direct performance of it, the timely detection of any differences between the data in the documents and the facts, the recording of assets for accounting and administration, and others are tasks not only of the financial and accounting personnel but also, equally, of the technical personnel, who can and must contribute responsibly to the performance of such activities.

In all enterprises it is necessary to act more consistently so that the materials supplied as well as the products made may have the proper storage spaces provided, which would prevent the damaging, destruction, loss or waste of them; so that the measurement, weighing, and control apparatus may be kept in perfect operating condition and may be used properly, where the production process requires it; so that personnel with suitable training may be provided at the places for reception, preservation, and release of all assets; so that in the production sections perfect order may be provided in positioning the raw materials and introducing them into manufacture; and so on. All these aspects are not minor at all if, for example, we specify that, last year, the control bodies of the Ministry of Finance identified in some enterprises millions of lei in losses of public property because the storage and preservation of the assets were done improperly and, as a result, they were damaged and deteriorated.

The fact is known that any movement of material and monetary resources is achieved on the basis of documents that contain data referring to their quantity and quality. In this field, for some operations that reflect the growth or decline of the holdings of the socialist units for which forms such as receipts, checks, shipping notices, invoices, waybills, or purchase statements are used, a special system of reception, recordkeeping, release, and control is stipulated in the provisions in force. The utilization of these documents through the instituted channel is meant to secure at the same time both the supervision of the circulation of each copy of these forms and, in particular, the accuracy of the data in the documents in question and the agreement between these data and the material and monetary resources actually in movement. In a close connection with this, the activity of guarding the assets is also regulated, an activity within which a special accent is put on organizing the guard posts and instructing the personnel entrusted with performing the guard and on exercising strict control regarding the entry and exit of all material and monetary assets to and from the socialist units. Practice has demonstrated that even in these so clear and precise matters there are shortcomings and deviations, which, at first sight, can seem minor and routine but which have in numerous cases detrimental consequences for the holdings of the socialist units, because not everywhere are the circulation and the accuracy of the date on the special-system forms noted and checked rigorously, is the gate inspection performed with maximum efficiency, and are all means of transportation that enter and leave the socialist units recorded.

The periodic inventorying of the component elements of the holdings of the socialist unit constitutes one of the main methods of preventing the cases of poor administration, waste, and theft of public property. However, it must not be understood as a task of just the financial and accounting apparatus, there being prevented the formal, bureaucratic performance of it without actual verification of each item on the spot. The inventorying must be performed thoroughly in joint actions of the economic personnel and the technical personnel, who together, on the commissions appointed in accordance with the law, should record both quantitatively and qualitatively the elements of the holdings, for the major purpose of having reliable data available that would give the management personnel the chance to make decisions regarding the continuity of the production process and the growth of its efficiency, to set the policy for creating and utilizing the stocks in accordance with the economic and financial possibilities at any given moment, and, if the situation requires it, to hold responsible those to blame for causing losses.

With a view to the proper administration of the holdings, a particular importance also goes to strengthening the responsibility of each working person. It must be manifested in two main directions: for strengthening, first, the responsibility with a general character, applicable to any person engaged in work, regardless of the position held, and, second, the clearly indicated responsibilities according to the positions held, of management or execution. In both cases, however, the essence of the strengthening of the responsibilities is that, on the basis of thoroughly studying the meaning of the state's laws, each working person must act firmly in a dual sense: on the one hand, to not himself commit infractions or violations of the laws and, on the other hand, to fulfill his official duties in such as way as to be relentless in holding responsible those who are guilty of acts contrary to the provisions in force. In this framework, the matter of establishing the obligations as clearly as possible and having them understood in advance by each working person, through the recording of them in the job description or in other documents, is also essential, in our opinion.

12105
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CROATIAN FOREIGN TRADE DEFICIT IN 1985

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 31 Jan 86 p 2

[Excerpts] Last year Croatia exported $2.491 billion worth of goods, accounting for 23.8 percent of total Yugoslav exports (and 25.4 percent of the Yugoslav social product) and imported $2.805 billion worth of goods.

Last year this republic collected $788 million from all exporters to import 902,000 tons of coking coal, 2.887 million tons of oil, and 401,000 tons of oil derivatives. This is 28 percent of the value of Croatia's total imports. In regard to coverage of imports by exports, Croatia remains, as in 1984, in sixth place among other republics and provinces with only $88.8 of exports covering $100 of imports, or 9 percent more than the Yugoslav average. The final result is a $314 million trade deficit.

In earlier years Croatia, like others who have oil refineries, had a more favorable export/import relation in the convertible currency area than in the clearing-account area. Now the situation is entirely different. In regard to coverage of imports with exports in the clearing area, Croatia surpasses Serbia and is in third place after Kosovo and Montenegro. [Exports from] shipbuilding and delivery of ships to the USSR have contributed to this.

Exports to the convertible market amounted last year to $1.248 billion, or only 1 percent more than one-half of total Croatian exports. Imports amounted to $1.939 billion, or 69.1 percent of all imports to this republic and 24.3 percent of Yugoslav imports, so the deficit was $691 million, or 41.6 percent of the total deficit of the five republics and two provinces with deficits (Slovenia had the only favorable trade balance last year). Coverage of imports by exports amounted to 70.6 percent, compared to the country average of 80.3 percent.

The deficit on the convertible market was more than halved by the positive balance on the clearing-account market where Croatia exported $1.243 billion worth of goods, a little more than three-tenths of Yugoslav exports to this area and 1 percent less than one-half of Croatia's total exports last year. It imported $866 million worth of goods, resulting in a favorable balance of $377 million.

/12947
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IMPLICATIONS OF FOREIGN TRADE REGIONAL STRUCTURE

Zagreb DANAS in Serbo-Croatian 5 Nov 85 pp 25, 26

[Article by Ivo Jakovljevic: "A Narrow Door to the West"]

[Text] Are the so-called Eastern markets becoming more attractive for Yugoslav export even as our own market is perhaps becoming more attractive (even temporarily) for that economy?

Time is a witness (and in such matters one unlike any other) that Yugoslavia, whenever it has entered a crisis has done so through excessive import from the West and obligations to it, and that whenever later Yugoslavia tried to emerge from the crisis it tightened Western imports and increased the sale of its own goods on the Eastern markets, and that finally whenever Yugoslavia planned to radically increase its position in the world economy, then it strived to do so by increased export to the West. All three aforementioned phases of the same developmental process so far have several times repeated themselves almost cyclically, which today leaves open the question once more: Is the movement in recent months of Yugoslav goods to the East excessive, temporary, or perhaps lasting, or is there in sight for us some kind of new penetration through the ever-narrower door of competition to the markets of the most developed Western countries; will there follow a period of Yugoslav technological and developmental regeneration; will this same tale repeat itself on a higher, equal or perhaps lower socioeconomic level than the existing one?

Instead of some pseudo-philosophical palm-reading for the answer to the question of what awaits us (does anyone still think it can be known?), we shall attempt to answer the question using the latest data on foreign trade of Yugoslavia, which we have come upon recently. Consequently, the Yugoslav economy from early January until the end of October increased its total exports by some 8 percent, while simultaneously imports increased only 3 percent. If one adds to this the expectation that the social product will grow by only 1 percent this year, it is clear that the export results, however distant from those planned, are still one of the brightest spots of Yugoslav developmental and economic policy.

However, on the reverse side of these data on export success is the completely different side of the coin, which calls almost all of this into question, or at least introduces a new question of a strategic nature. That is: Can

Yugoslavia extricate itself from the crisis if it keeps exporting more to the East, and less to the West, along with an absolute decrease in trade with developing nations? Or, how will the economy get out of this crisis, in whose structure of export raw materials, semi-manufactured goods and unfinished products once more prevail? And how can dollars, or equivalent dinars, be earned by such exports, when our competitiveness, especially in Western markets, is getting ever weaker, when in an era of new scientific-technological revolution, we offer the world mostly goods with which we could possibly have prospered only in the already distant sixties?

Exception and Rule

Be that as it may, even Yugoslavia does not find it easy to create the image of a white sheep among heavily indebted nations, when on the world market in the last 2 years the increase of mutual trade has been achieved above all by the most developed industrial countries, while the heavily indebted, especially Mexico and Brazil, record the largest export failures. Is it possible in general in that context, in the middle of the common mire of debt, for Yugoslavia to be the exception to the general rule?

Our advantage, the only one which possibly still exists, is precisely in the ever-cheaper share of our labor cost in exports, especially on the most discriminating, convertible market. One witness to the aforementioned thesis is our export of the Zastava "Yugo-America," which came about due to the exceptionally low cost of labor in the Yugoslav economy (compared with international competition in that and similar areas of exchange). It could be said that just now, when in many ways we are scraping the bottom in regard to standards, quality and efficiency by European dimensions, our chances for export are growing, under the assumption that as soon as possible we will be openly included in the world technological revolution.

For such an undertaking, indeed, what is needed above all is that correct maneuver: the introduction of market selection in the domestic market, without which, considering the cumulative expenses of production and of the superstructure, which are now the question, it is almost inconceivable to step through that narrow and ever-narrowing door of trade with the West, whose banks we currently owe about $18 billion in principal and approximately the same amount in interest, fees and profit margins. In short, from this perspective one can freely conclude that the basic problem of the Yugoslav economy today is how, in the shortest period, if possible sometime before 1990, can export be doubled, and in that scope above all on the convertible market, so that the whole bag of our foreign debts would become somewhat bearable for the Yugoslav working class and for the price itself of our goods on the international market.

It seems plausible in today's structure under the burden of debt and impossibility of catching up with the world's most technically developed nations that we must sell ever more goods to East European socialist countries, which still significantly lag behind Western competitors in their productivity and technology and in the quality of supply and demand. So they are, apparently and at least temporarily, our most open trade outlet, just as we, within our own parameters and with a declining share in the world economy, are the same for them today and will probably be so for a few years more.

Technological Lag

The latest estimate, of written-off and obsolete domestic technology, has shown that Yugoslavia, because of limiting imports after 1979 as a result of indebtedness, has swallowed a large, bitter pill. The level of equipment write-off in the most dynamic and export-oriented branches of our economy is somewhere from 68 to 80 percent, and with such a balance it is indeed difficult to expect greater export penetration into the most technologically complex world markets. Found in these figures is also one of the reasons why the policy of a more realistic exchange rate of the dinar, which has been intensively carried on for 3 or 4 years already, can no longer provide that which was (exaggeratedly) expected of it: i.e., that this policy alone would solve all questions of the stimulation of export and restructuring of Yugoslav production. Thus, even though the rate of the dinar slid by almost 55 percent from the beginning of the year until the end of October, all the same our competitiveness in Western markets has not increased, although it still holds fairly well in the East. Isn't it then completely logical that a considerable portion of goods simply move to the Eastern markets, so that the coverage of import by export in the first 10 months of the year was almost in total equilibrium, while on the Western side it fell to only 68 percent!

In the mid-sixties, in its economic strategy, Yugoslavia advanced the rule by which our foreign trade was required to tend toward a regional exchange structure, that is, two-fifths of world trade to be carried out with Western countries, two-fifths with Eastern countries and one-fifth with developing countries. However, our latest data show that in export, one-half our goods also this year went to the East, one-third to the West, and only one-fifth to developing countries. At the same time, on the import side, less than one-third of imported goods came to us from the East European socialist countries, somewhat less than half from the West and one-quarter from developing countries. When all this is added together, the planned formula is being realized, but its final balance is expressed in our debts, which would be difficult to repay without rescheduling or taking new credit.

What could be most worrisome to Yugoslav economic planners is the fact that in the last 5 years, and especially last year and this year, the export items which increased most in Yugoslav exports were from those branches which are primarily labor-intensive (a cheap labor force?), for example: production of leather and shoes, chemical products, electric machines and appliances, shipbuilding, ferrous metallurgy and furniture. These branches at the same time made the greatest contribution to the somewhat increased movement of our exports to the East.

At the same time severe import limitations affected most the export of those products which until then had been traded primarily with the West, so to a certain degree it is more understandable why our quantitative export to developed Western nations today is barely greater than it was in 1980! It is difficult to blame either economic policy or only the exchange rate of the dinar and other segments of that policy for all this. Obviously, in its totality, our economy, with its present expenses, organization and lagging technology, cannot, just like that, pass through the narrow door of trade with the West.

Like some sort of third side to the coin of trade in question, in recent months discussions on the new 5-year plan of development to 1990 have taken place in committees of the Assembly of the SFRY, in which (in the discussion of general illiquidity) the additional question was opened up of channeling the remaining capital accumulation to individual developmental programs. So there is a further dilemma: should more domestic capital go toward developing production of raw materials, energy and food, or should the majority remain with banking organizations, which would allocate it, above all, to increase export-oriented production. Metaphysically, the following question arises: can this export-oriented production in general increase without a solid base of raw materials, energy, and even food, [the importance of which is seen] only in the slogan "[important] as our oil."

The Cost and Direction of Togetherness

Therefore, great expectation surrounded the papers of the Chamber of the Economy of Yugoslavia, whose task was to prepare "in harmony with the new law on social planning" a third, highly controversial section of the 5-year plan of the nation's development, the so-called joint directions of development of the country, development of which would allegedly possibly tie up almost 70 percent of the planned capital accumulation. Thus, the Chamber of the Economy of Yugoslavia has envisioned 16 joint directions of development, among which are energy, railroads, post-telephone-telegraph, highways and programs of an export nature, such as the "Yugo" automobile, metal processing, ferrous and nonferrous metallurgy, forestry and the lumber industry, textiles and clothing, leather and footwear, tires, sea and river traffic and tourism. On this basis, the Economic Council introduced its estimate, according to which export by the end of 1990 could total exactly 26 billion dollars, therefore almost double what it is this year. Such an estimate meshes almost to the dollar with another, previous calculation, according to which the Yugoslav economy, for normal economic activity in the last year of this decade will require at least $26 billion for normal needs and regular repayment of foreign debts which come due. Somewhere behind these figures there is supposed to be the estimate that from 1986 to 1990 Yugoslavia could be in debt an additional $15 billion!

In any case, the criteria of the world market and cost economics as such still remain to be introduced above all into the domestic market in order for any part of the Yugoslav economy to have some place in the world market, especially in its most developed Western part. All this should be fostered by the latest changes in the economic system (in banking, foreign currency, accounting, etc.) as well as in a new series of measures of the economic policy aimed at reducing inflation and strengthening a united Yugoslav market. The only thing which remains uncertain is who must pay what price within Yugoslav society for this sort of restructuring of the economy and radical turning-around in the style of economic operation on the threshold of the second half of the eighties.

How We Fared in World Trade

	1981	1984
Export (total) billions of dollars	10,928	10,254
Import (total)	15,757	11,995

Regional Structure of SFRY Export

	1981	1984
Developed nations (percent)	32	36.5
Socialist nations	49.6	47
Developing nations	18.3	16.4

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BRIEFS

REPUBLIC BUDGET REVENUES--Last year sociopolitical communities [republics, provinces, opstinas] had budget revenues totaling 1,260.1 billion dinars, nearly 60 percent of which was collected from sales taxes, taxes on services, revenue from property, etc..., 22.7 percent from customs duties and special fees, 14.6 percent from income taxes and personal earnings taxes, while 3 percent was other revenues. The largest increase in revenue was from taxes on [enterprise] income and personal earnings, namely a 121-percent increase countrywide (97 percent increase in Bosnia-Hercegovina, 202 percent in Montenegro, 122 percent in Croatia, 121 percent in Macedonia, 178 percent in Slovenia, and 108 percent in Serbia); taxes on incomes of OURs (organizations of associated labor) increased 351 percent in Montenegro, 488 percent in Macedonia, 561 percent in Slovenia, and 393 percent in Vojvodina. [Excerpt] [Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 3 Feb 86 p 13] /12947

BANKING LAW CHANGE--Business people and bankers have pointed out that the new Law on the Foundations of the Banking and Credit System adopted at the end of last year has come to a standstill over its most controversial provision, Article No 193, which stipulates that beginning on 1 January [1986] business banks cannot grant credits to work organizations which are operating unprofitably, if they do not own at least one-sixth of their own working capital, or if they operate exclusively on borrowed money. This would be fine, except that application of this provision would mean putting out of operation about 85 percent of the work organizations in certain parts of the country (with all the economic, social, and political consequences arising from this). However, as the law was adopted in an "emergency procedure," it seems that this provision went unnoticed by those who proposed and adopted the law. One should not be surprised at the report from a recent meeting of the Federal Executive Council (FEC) that this provision of the new law is already being supplemented by a transitional provision permitting short-term credits for current operation. [Excerpt] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 22-24 Feb 86 p 12] /12947

The FEC has submitted to the SFRY Assembly a proposal suspending paragraph 2 of Article 193 of the new Banking...Law until January 1987, thus permitting the taking of short-term credits for enterprises for this year. [Excerpt] [Belgrade PRIVREDNI PREGLED 26 Feb 86 p 2] /12947

KRSKO FINANCIAL BURDEN--Because of unpaid obligations on credits for the Krsko nuclear power plant and part of the Trbovlje thermal electric power plant, the Bank of Ljubljana on 19 February blocked all funds of OURs (basic organizations of associated labor) which make up the Electric Power Industry of Slovenia. It is a question of rescheduled interest payments in the last 2 years which have to be paid by the end of March, as well as part of the principal. So all OURs within the electric power industry of Slovenia are feeling the effects of this investment. Mihael Cerpes, member of the business council of the Electric Power Industry of Slovenia, said: "Our total debt for maturing interst and part of the principal, above all, for Krsko...was 5.242 billion dinars on 21 February 1986. We assume it is now less since the bank blocked the accounts. We expect to settle our obligations by the end of June this eyar, but the bank's action has disrupted our operations considerably." [Excerpt] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 28 Feb 86 p 1] /12947

AGRICULTURAL EXPORTS DECLINE--According to latest estimates, agricultural and food exports last year amounted to about $800 million, or $200 million less than in 1984. This year exports valued at $1.17 billion are planned but this is...considered more a desired figure than a realistic one. Only about $200 million was earned in 1985 from exports of fruits and vegetables, or $100 million less than in 1982; in fact, only 3 percent of total fruit and vegetable production was exported. The domestic market absorbed 65 percent of production, but 32 percent is unaccounted for, as a result of poor market organization. In regard to animal, meat, and processed meat exports, an ambitious export plan of $480 million has been established, which would be about 20 percent more than that achieved in 1985. But marketing on foreign markets is difficult, and the basic problem is the high cost of production, such that if the export plan were achieved it would mean losses of 510 million dinars for exporters unless [cost] conditions change. Although the world prices for corn are too low to stimulate our exporters, it is nevertheless expected that over 1 million tons of corn from the 1985 harvest will be exported because of the large decline in livestock production; all of this would be in barter trade. [Excerpts] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 27 Feb 86 p 1] /12947

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MEDICAL ASSISTANCE IN PSYCHOLOGICAL TRAINING RELATED

East Berlin ZEITSCHRIFT FUER MILITAERMEDIZIN in German Vol 26 No 6, Nov 85 pp 244-247

[Article by Col Dr K. Hollenbach et al: "The Work-Related Medical Care of Members of the Army as a Contribution by the Medical Service to a Further Increase in the Fighting Strength and Combat Readiness of the People's Army"; first two paragraphs are summary]

[Text] Medical care in the military, as the sum of measures oriented towards the individual designed to prevent or significantly reduce service-related limitations to performance and disruptions of health, is an important component of the steps taken by the medical service to increase the fighting strength and combat readiness of sections and units of the People's Army [NVA].

Presented and discussed is a model of care that builds on itself and takes into consideration job characteristics and individual capabilities. This system includes general preventive measures for all members of the army, special preventive examinations for certain military activities as well as differentiated dispensary care for selected members of the army.

The fostering, maintenance and restoration of health as well as the guarantee of a high physical and psychological capacity among members of the NVA are important preconditions for an increase in the fighting strength and combat readiness of sections and units and a primary goal of the health service in the NVA.

The medical service as a special organizational form of GDR public health in the NVA is putting into practice in the armed forces the health policy of the SED under specific military circumstances. The minister for national defense, Gen Heinz Hoffmann, characterizes its duties as follows: "The medical service has in all armies and at all times played a large role in consolidating and strengthening the fighting power of the troops. In socialist armies, and thus in our People's Army as well, the medical service is accorded particular significance, since we have as our starting point the high humanistic ideals of Marxism-Leninism, where man, care for man and the maintenance of his physical and mental strength are the focus of societal attention. This significance and the role of the medical service have risen sharply under the conditions of modern warfare which--if it cannot be averted by peace-loving people and states--will be warfare using means of mass destruction...We are largely dependent on the work of our doctors, medical orderlies and first-aid attendants for creating a high and continuous level of readiness for action among our units and sections" (1).

The achievements in the medical safeguarding of the army and navy forces during the nearly 30-year existence of the NVA, including military-related medical care, would be inconceivable "...without the help and support of our friends, the Soviet military doctors, without the benefit of the experience of Soviet military science and military medicine" (10).

On the occasion of the 40th anniversary of the victory of the Soviet army over Hitler's fascism and of the liberation of the German people, it should be remembered that it was Soviet military doctors and hygienists such as Major General Dr Kurpita, Maj Gen Dr Agafonov, Maj Gen Dr Belyakov, Colonel Prof Dr Kudrin, Col Prof Dr Medvedev, Col Prof Dr Koselev who unselfishly imparted their experiences and knowledge in the organization and implementation of an effective military hygienic supervision and security system as well as military-related medical care of members of the NVA, thus contributing to a new, objective understanding of service-related medicine in the armed forces in the interrelation of members of the army with military activity and the military environment. As a demonstration of these correlations, reference should be made to the examination model already published (2, 5), derived from Caregorodcev and Erochin, from which the central position of military activity can be seen (Diagram 1). Since--as a result of scientific and technological progress in the military--the increasingly short periods of time in the introduction of qualitatively and quantitatively new arms systems and the consequent changes in the form and content of military activity imply a change in demand reactions, the spectrum of responsibilities of the medical service extends not least of all to the area of military-related medicine.

In view of the fact that Medvedev's "adaptation theory" (9) and Kudrin's "three-parameter theory (8) have in common the dynamic, differentiated, multifactor and multilevel way of looking at the correlation of members of the army to the military environment, military-related medical care should as follows be understood as the sum of medical measures oriented towards the individual, which for members of the army contribute to the prevention or significant reduction of service-related limitations to performance and disturbances of health. Within the context of this description, in order to avoid repetition, questions of military-related hygienic standardization as well as an assessment of military medical fitness and suitability for service will not be dealt with, referring to previous publications (2, 3, 4, 6), although these factors cannot be objectively separated from the relational structure.

The extent and content of job-related medical care for members of the army are laid down in the relevant military regulations based on existing legal provisions in view of military specifications. These exceptional features include:

1. Demands that are scarcely comparable with the civilian work process, which for members of the army exist in training and to a full extent in combat conditions, particularly in the processes of absorbing and processing information, in the necessary level of expression of psychological basic functions and psychological capabilties, amidst predominantly changeable and overwhelmingly complex influences from physical, chemical, biological and social factors. In addition, the psychovegetatively relevant stimulative structures of the military environment can at best be only an approximate equivalent of a combat situation. A comparison with professions, jobs and activities in industry is scarcely appropriate; only accidents and catastrophic situations show similarities to these special features.

2. The fast pace and strong dynamics of combat activity presuppose the possibility of a rapid and most rapid functional reordering of physically arduous activity to finely coordinated movements.

3. The specific age and sex structure of members of the army with regard to a limited period of exposition and pressure for the vast majority of members of the army demands in a garrison situation application-oriented work-related medical care, graduated with respect to form and content.

4. While the technical structure of the work place for the efficient employment of workers should be arranged such that it promotes conditions for performance while precluding both excessive and insufficient demands, this cannot be universally put into practice for members of the army in view of primacy of the combat value of military technology.

5. The highest capabilities of members of the army are mobilized in connection with concrete battle orders in combat or training situations, primarily through a desire to perform. Even in a garrison situation, this calls for the introduction of high and highest physical and psychological pressures and volitive control over them.

6. The increasingly large responsibility of the individual for the fulfillment of the collective battle orders and the continual readiness to act--characteristic of many situations--when the necessity to act is not individually discernible, for a period of time not defined for the individual, are another characteristic specific to the military.

This outline could be added to; there is no claim here to completeness.

However, it can already be deduced that military-related medical care is important in garrison situations in particular in continually maintaining and increasing fighting strength and combat readiness (Diagram 2).

Consequently, military-related medical care involves not only diagnostic, therapeutic, metaphylactic and rehabilitative measures, but also preventive measures oriented towards maintaining and raising physical and psychological abilities.

This includes general preventive measures for all members of the army, special preventive examinations for selected military activities, differentiated dispensary care for members of the army whose service duties place particularly high demands on physical and psychological abilities or whose activities burden or endanger certain organs or organ systems to a particularly high degree.

From the point of view of military-related medicine, general preventive measures include:

1. Medical supervision over newly drafted conscripts during training, in order to identify at an early stage, in cooperation with armed forces superiors and trainers, new conscripts with a low level of ability and who in other ways stand out in terms of health, and to gradually take them up to a higher level of ability through appropriate measures.

2. Cooperation in the shaping of training programs and in the preparation of training measures, especially supervision over long-term preparations of particularly performance-intensive training sections and elements.

3. The medical safeguarding of training, in view of extreme weather conditions or of methods of training that are particularly stressful in psychological and physical terms, and acquainting trainers with possible preventive measures to guard against health dangers.

4. Differentiated limitation of the extent and the length of partial fitness for duty in careful or timely decisions on unfitness for duty through insufficient physical or psychological capabilities due to illness.

5. The use of effective forms of health education and its realization as a measure specific to the target group, for the promotion a healthy way of life, and in particular for the shaping of responsible health behavior oriented towards the implicit fulfillment of military class duties.

All these measures correspond to concrete specifications in military regulations. They are being implemented in order to give support to the adaptation process by members of the army to military activity and to avoid limitations in health and performance by military activity or to make them relative in expression and prognosis. Their implementation requires active transposition by the military doctor under the specific circumstances of his unit.

Special preventive examinations are, organized as mass screenings, carried out at the beginning, by necessity during, and at the end of the service period in certain jobs. In importance, they correspond to work-related medical fitness exams and serve to establish medical suitability for military activities with known risks of exposure.

Members of the NVA are included in the examinations who are subject to exposure and are involved in activities for which medical fitness must be demonstrated according to legal provisions and military regulations.

As a result of these special preventive examinations, only members of the army for whom medical fitness has been demonstrated before assuming duties are put into service for purposes and military activities thus defined.

The content and extent of the examinations is determined according to the relevant legal provisions.

This arrangement means that part of the required laboratory-diagnostic examinations cannot be carried out in the unit's medical facility since the equipment of the type of lab found in units does not fully permit these examinations.

Military-related medical dispensaries are complex measures in health care and are carred out when particular physical and psychological strains or dangers make continual guidance, counselling or treatment necessary. Dispensary groups are organized for members of the army in special sections or jobs as job-based dispensaries for:

--senior cadre,

--airborne personnel and paratroopers,

--vehicle operators and

--divers.

These are justified by a complex effect from strains and exposures, often taking place under extreme circumstances, in special military activities that are to be carried out, or in exposure dispensaries for activities under the effect of harmful elements, such as noise dispensaries.

The job-based dispensaries are implemented in special facilities of the air force/air defense and the national navy because of the complex character of demands in NVA hospitals. The content and extent of examinations are determined according to circumstances specific to the branch of the armed forces or the predictable focal points of the exam. Exposure dispensaries are realized in accordance with stipulations concerning content and extent in legal provisions and because of demands for special laboratory-diagnostic parameters or special consultation with medical specialists, they can only to a certain degree be fully implemented in the sections and units.

Through these preventive-oriented military-related medical care measures, every member of the army is included in the system of health supervision by the medical service, in accordance with his job or activity.

When one takes into consideration that the majority of these examinations must be carried out in the medical facilities of the unit, one then sees clearly on the one hand the status of medicine in work-related basic care and on the other hand the central position of the unit doctor as specialist for general medicine. At the same time, this organizational structure sees to it that the unit doctor's area of responsibility for measures of preventive medical care is fully assured and that specialized medical care is guaranteed in accordance with the character and care circumstances of the hospitals of the NVA (7).

With the goal of a further increase in the quality and effectiveness of work-related medical care, an assessment of possible directions for development is as follows:

1. Expansion of the current examination programs,

2. Introduction of standardized, valid and reliable examination procedures that can in practice be implemented among troops,

3. Rise in the efficiency of presently operating organizational forms,

4. Elaboration of a military regulation that takes into account the overall process of preventive medical care.

These requirements can only be met through the further scientific investigation of the dialectic correlation between members of the army, military activity and the military environment.

Through the further perfection of:

-- Knowledge about military, medical and professional characteristics of jobs and activities,

-- Methods of recording and evaluating criteria in determining the state of health, fitness for duty and ability for duty,

-- Specifications of preventive measures for situations of extreme strain and,

-- Guidelines for the deployment of those limited in their medical suitability and fitness for duty,

work-related medical care of members of the army can be structured even more efficiently within the framework of general preventive measures. In the implementation of special preventive examinations, an intensification of work-related medical can be achieved through the:

-- Determination of the degree of actual individual strain on one's health by exposure to appropriate jobs and activities by way of work-related hygienic analyses and their catagorical compilation,

-- Elaboration and introduction of noxe-specific rapid tests.

-- Further technical completion of selected basic care medical facilities involved with military-related medical care in order to realize the planned extent of laboratory diagnostic examinations.

The quality and effectiveness of military-related medical dispensaries as the most comprehensive form of specifically work-related medical care can be further increased by a number of measures. In terms of methodology, there has already been a report on further developments within the framework of annual examinations of professional soldiers (10). Besides the organizational measures mentioned there for increasing patient-effective time, a further contribution can be made by the drawing up of:

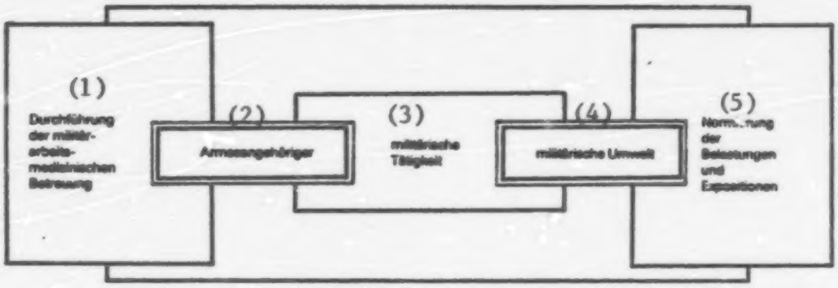
-- A catalogue of jobs and military activities associated with dispensaries,

-- Methods for evaluating physical and psychological capabilites with system-wide long-term medication and,

-- Recommendations based on military-medical and professional practice on the deployment of the less able.

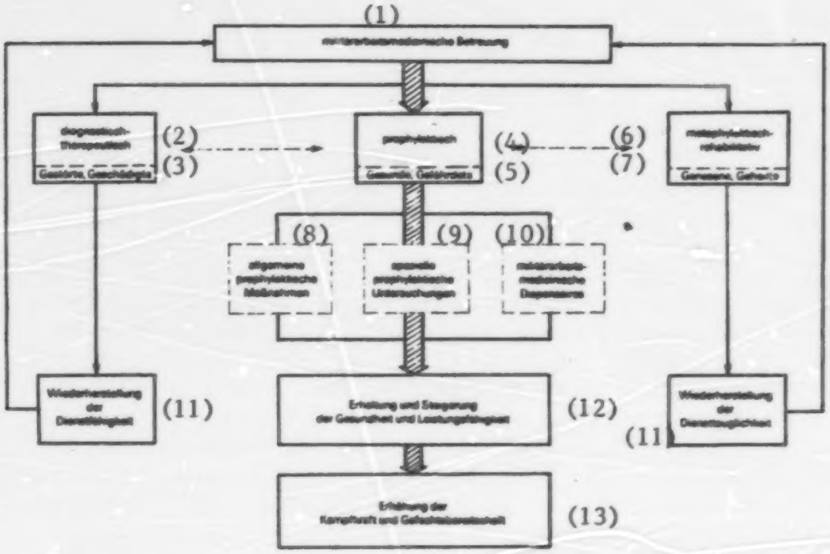
From what has been said, it can be concluded that the realization of the correlation between military-related medical care and the increase in fighting strength and combat readiness is a process that is in a constant state of perfecting itself, a process that requires the close cooperation of military-related hygienic and professional representatives of military-medical clinics. Of decisive importance is the complex application of the various research findings into military practice in order to thus continue to establish scientific preconditions for the steps taken by the military doctor in military-related medical care.

Figure 1. Position of Military Activity


(1)
Durchführung der militär-arbeits-medizinischen Betreuung
(2)
Armeeangehöriger
(3)
militärische Tätigkeit
(4)
militärische Umwelt
(5)
Normierung der Belastungen und Expositionen

Key:
1. Implementation of military-related medical care
2. Members of the army
3. Military activity
4. Military environment
5. Standardization of strains and exposure

Figure 2. Aspects of Military-Related Medical Care



Key:

1. Military-related medical care
2. Diagnostic-therapeutic
3. Disturbed, injured patients
4. Preventive
5. Healthy patients and those at risk
6. Metaphylactic-rehabilitative
7. Cured, healed patients
8. General preventive measures
9. Special preventive examinations
10. Military-related medical dispensaries
11. Recovery of fitness for service
12. Maintenance and increase in health and abilities
13. Increase in fighting strength and combat readiness

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POST-SYNOD CHURCH-STATE RELATIONS PROMISE LITTLE CHANGE

Lutheran Leadership Views Cited

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 4 Feb 86 p 5

[Article signed "K.A.O." datelined Berlin, 3 Feb 86: "Bishop Leich Objects to Sense of Resignation"]

[Text] The number of votes cast in the Conference of Evangelical Church Leaders in the GDR for Bishop Leich as chairman is not known, since the election was secret. But Bishop Leich in his speech to the synod expressed his thanks "for the clear-cut type of election." This indicates a convincing majority. The bishop stated in his inaugural address that the church in the GDR lives in a state ruled by a strong ideology. It is necessary to continue what the Federation of Churches has said and done so far. He also admonished: "When we talk to representatives of the state, we should see them as people concerned for the welfare of the citizens."

Bishop Leich's speech was an exhortation not to yield to a sense of resignation in the church. The missionary situation in which Christians in the GDR live is "determined by the presence of Christ wherever two or three are assembled in his name, and by his order to win disciples for him." In the GDR "the ground is broken. Although there are no direct questions for the church, there are questions which render the public more open to the church." The church can only win people to faith in Christ if it is "unequivocally clear and binding in preaching the Gospel and administering the sacraments. The question about truth is answered through Christian testimomy and life." Leich closed every paragraph of his speech with the call to read in the Bible and to hold fast to prayer. The sentence sounded like a motto to guide his work as chairman of the Federation of Churches.

The bishop advocated ecumenical rapprochement and, in particular, fellowship with the Evangelical Church in the FRG. Here, also, advances can be made only "if we strive and pray for the truth of God's word." Leich pointed to Gorbachev's disarmament proposals. Confidence is growing that the road to the future "is not quite so hopeless."

At the synod of the Evangelical Federation of Churches in the GDR, held at the Stephanusstift in Weissensee, secretariat manager Ziegler gave an interim report on the 4 months since the meeting of the old synod in Dresden in September. The Federation of Churches is seeking cooperation with the other churches in the GDR to make a special church contribution to the "Year of Peace," the United Nations having thus designated the year 1986. Picking up on a statement of the last synod, it is proposed to put these church events in the GDR under the motto: "Time for Peace." Observations made at the last "peace decade," the annual 10 days of church events for peace, jointly prepared with the Evangelical Church in the FRG, were confirmed in the report to the synod: the peace decade with discussions, seminars and church services has become a solid tradition in the Evangelical Church in the GDR and is carried out in ecumenical cooperation, as far as possible; but interest is flagging in some parishes. Prayer for peace is gaining in importance. This is to be taken into account for the peace decade in late autumn. "Peace be with you" has been proposed as the theme in the GDR.

At the next synod meeting in September, a church committee appointed 3 years ago will present the result of its consultations on the "problem of profession of faith in the peace question." It deals with a question which constantly occupied the last synod in the GDR during its term of office: in view of nuclear weapons, can Christians continue to participate in the system of military securing of peace? The Evangelical Church in the FRG considers both Yes and No to the policy of nuclear deterrence as a means of securing peace as compatible with Christian faith, at least as long as efforts are made to reduce armaments. In contrast, the Federation of Evangelical Churches in the GDR has officially declared conscientious objection as "the clearer sign" of Christian faith. But only the committee report, to be given in September, and the subsequent discussion will show whether the Evangelical Church in the GDR will make a binding decision in this question. For the present, the answer is still valid which the old synod gave in Dresden in September of last year: "Today, no unanimous answer to this question is discernible."

The manager of the secretariat dealt with the increase in arrests of conscientious objectors which became known in Dresden during the final session of the old synod. Ziegler stated that church representatives "had supported those concerned in an appropriately unobtrusive manner." He thanked the government representatives for the quick release of those arrested. This decision shows "understanding and magnanimity" and has prevented hardships and burdens. Ziegler said: "We take these decisions as a sign of willingness to solve conflicts within the framework of existing regulations, and to prevent the creation of conflicts. We thank you for this willingness." It "makes us confident that ways of understanding will be found in as yet unsolved issues, even if at present the unmistakable refusal continues to the pleas of the synod for establishing an alternative civilian service and for the possibility of weaponless service for reservists already sworn in."

Ziegler also reminded his listeners of Bishop Hempel's request for a new talk of the leadership of the Federation of Churches with Honecker. In principle, Honecker had agreed to this in a conversation with Bishop

Hempel a year ago, but no date or subjects have been agreed on. Another request to the government was also mentioned in the report to the synod: The Federation of Churches gave Premier Willi Stoph a list of 123 church buildings in dire need of repairs. It is necessary that the state 5-year plan 1986 to 1990 provide for "building funds" in the amount of 47 million Marks, whereby the difficulty is less the lack of money than the lack of construction workers and material. The collapse of the Marienkirche in Pasewalk demonstrated the consequences of neglecting existing buildings in the GDR for the churches and the public. In many towns, churches are the only monuments still preserved from the Middle Ages, a cultural heritage whose preservation is valued by the GDR.

FRG Commentator's Assessment

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 5 Feb 86 p 5

[Article by Karl-Alfred Odin, datelined Berlin, 4 Feb 86: "The Church in the GDR is Sticking to its Course"]

[Text] The change in the leadership of the Federation of Evangelical Churches in the GDR at the synod in East Berlin does not indicate a break, although only one of the five members of the new board, Consistorial President Stolpe, also served on the old board. The election of Thuringian Land Bishop Leich as chairman meets the expectation of the synod. The former chairman, Saxon Land Bishop Hempel, himself wanted Leich's election. No other proposal had been given serious consideration. Leich is attached more strongly to the traditional forms of the church than Hempel, but there is no difference between the two bishops in their spiritual, church and political attitude. Since 1978, Leich has participated in decision-making in the Conference of Church Leaders, the managing institution of the Federation of Churches. His two deputies are familiar with all matters of the Federation of Churches: East Berlin Consistorial President Stolpe from the founding of the Federation of Churches in 1969 until 1981, and Saxon Province Bishop Demke, from 1981 to 1983,was manager of the secretariat of the Federation of Churches, the coordinating center of this union of the eight Land churches in the GDR.

The intent of filling the three managing positions in this manner is unmistakable: the Federation of Churches is continuing its course, in the church, in its relations with the state, and in standing up for all those suffering for personal or political reasons. In Leich's address after the election, the spiritual and missionary task of the church occupied first place. Even more strongly than up to now, Leich will direct the forces in the Federation of Churches toward the core of Christian existence, to preaching, to the Bible, to prayer. Among the eight member churches, unity in practical church tasks has not kept pace with the theological closeness among them. Although the synod in Weissensee was primarily concerned with elections, it made clear that it will continue to pursue the goal of leading the Land churches in the GDR into a full church community, step by step. In theory, this community was already preempted in September, when the old synod at Christ Church in Dresden decided to adopt the name

"Evangelical Church in the GDR" for the Federation of Churches. The fact that the council chairman of the Evangelical Church in Germany, Bishop Kruse, was invited to the meeting, and many statements made at the synod show that the Evangelical Church in the GDR needs the connection with the Evangelical Church in the FRG. When the churches in the GDR freed themselves from the organizational clutch in 1969, it helped them to gain freedom of action and internal strength not only for political reasons but also for their own church concerns. At the same time, this departure made possible a more relaxed relationship with the churches in the FRG.

A part of the continuation of its course in political matters is that the Evangelical Church recognizes the GDR as its state. It does not see itself as a church against socialism, or as a socialist church, but rather as "church in socialism," as it was formulated a quarter of a century ago. In the Evangelical view, this includes the duty to publicly criticize shortcomings not out of enmity but out of loyalty to the state, in order to help improve conditions so that people voluntarily want to live in the GDR. The synod called to mind Honecker's promise of equal rights, equal respect and equal opportunities for Christians in the GDR. Just before the synod, NEUES DEUTSCHLAND had published a declaration by Bishop Leicht which reiterated Bishop Schoenherr's old saying "that the relationship between state and church must be measured above all by how it is experienced by citizens and parish members in their daily lives."

Concern at the synod in Weissensee was directed in particular toward conscientious objectors. Besides the discussion of personnel, it was the only subject where the public was excluded on two occasions so that the synod could discuss it in full freedom. The synod expressed the church's thanks to the Evangelical Young Men's Association and to lawyer Schnur of Rostock for their help for the young men.

It is uncertain if and when the planned talk will take place between the chairman of the Council of State and the chairman of the Conference of Church Leaders. Bishop Hempel told the synod that one of the essential conditions is that such a talk must have visible results for the parishes. Advice coming from outside the synod to avoid agreements with the state and to withdraw behind the church walls is unacceptable to the Evangelical Church, whose membership embraces half the population. The example of the Catholic Church, which set the "Bengsch course" (named after the deceased cardinal) against the "Schoenherr course," i.e., the attempt at relatively getting along with the state, has never even been discussed, let alone accepted, by a synod of the Federation of Churches. At this synod in Weissensee, also, was stressed the value of having the state as a partner in dialogue in at least some of the conflicts.

9917
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SMALL FARMERS GROUP BECOMES MEMBER OF DEMOCRATIC BLOC

Cologne DEUTSCHLAND ARCHIV in German Vol 19 No 1, Jan 86 (signed to press 30 Dec 85) pp 16-17

[Article by Dr Peter Joachim Lapp, member of the East-West editorial staff of the Deutschlandfunk in Cologne: "The VdgB [Peasants Mutual Aid Association] a New Member in the Democratic Bloc"]

[Text] For the first time since the early 50's, the "Democratic Bloc of the Parties and Mass Organizations" in the GDR was enlarged:

"According to an application, the Peasants Mutual Aid Association (VdgB) as socialist mass organization of the cooperative peasants and gardners was admitted to the Democratic Bloc."[1]

As is known, the "Democratic Bloc" (DB) is a consultative body under the control of the SED, which exists on republic, bezirk and kreis level. In addition to the SED it includes the four other GDR bloc parties, CDU, LDPD, NDPD, DBD, as well as--now--five mass organizations (FDGB, FDJ, DFD, KB, VdgB).[2] Each of the parties and organizations delegate four representatives of their leadership to the DB. The meetings take place sporadically under alternating chairmanship; DB resolutions must be made unanimously. The SED regards the DB as "core of the GDR National Front" and as a device to make its will effective with the help of this body throughout all of the society.

"In the Democratic Bloc fundamental questions of domestic and foreign policy, basic draft laws as well as other state documents are discussed. Hereby the collaboration necessary for their implementation is coordinated.... The Bloc discussions further relate to joint social activities."[3]

Thus in the future the VdgB will participate in these discussions. The organization, practically a GDR peasant association, now numbers just short of half a million members. Originally in 1945/46 founded above all to help destroy the "Raiffeisen" Association of Farmers Credit Cooperatives, the VdgB in 1950 merged with the "Peasants Trade Cooperatives" (BHG) and in subsequent years massively carried on the SED agricultural policy, which finally in the spring of 1960 ended in full collectivization.

Thereafter the importance of the VdgB/BHG declined; in 1963 the organization lost its parliamentary group in the GDR People's Chamber and its deputy seats in the bezirk assemblies.

Since mid-1982 the SED reactivated the VdgB, which--as all mass organizations--is under the control of the SED. The reasons for the revival cannot be completely determined. One thing is certain, namely that the VdgB is the only association that feels especially obligated to the agricultural area, under production and distribution aspects as well as also under political and cultural aspects, as Dietrich Staritz emphasizes.[4] And the SED continues to strive towards leveling the urban-rural difference, especially in the services and cultural fields. Such an expression of intention is also included in the new VdgB statutes of 1984.

The first secretary of the central executive of the VdgB/BHG summarized the tasks of his organization as follows:

"In first place for the VdgB is the task, under the leadership of the SED party organizations, to support the political mass work in the villages and as a socialist mass organization to contribute to developing the creative initiative of the cooperative peasants and gardners in increasing agricultural and gardening production.... At the same time, the social participation of the cooperative peasants in social life in the villages is to be promoted."[5]

The VdgB is charged with the responsibility of closely cooperating with the other mass organizations. With more than 7500 local organizations in the villages, it is regarded (once again) as a "social force"[6]; the SED utilizes the VdgB's manifold supply facilities in the countryside.

As part of the reactivation, the leading party in the GDR repeatedly upgraded the VdgB: Thus the SED in the latest communal elections in May 1984 increased the number of the VdgB seats by 70 percent.

If the development continues in that direction, it is feasible that the VdgB will get a parliamentary group of its own in the People's chamber and deputies of the organization will enter the bezirk assemblies. However, ahead of the coming "people's elections" on 8 June 1986, the "distribution key" (on which the DB also decides in final arrangement) would then have to be changed in the near future. New seats for the VdgB are likely to be at the expense of the other mass organizations (as was the case in the 1984 local elections).

The revival of the VdgB/BHG must be most distressing for the "Democratic Peasant Party of Germany" (DBD). Until now this party claimed to speak for the cooperative peasants in the DB and otherwise; thus far it was courted by the SED as "party of the class of the cooperative peasants." Apparently this second largest GDR bloc party with 110,000 "party colleagues" has not been able to completely fulfill the expectations of the SED.

Undoubtedly the membership of the VdgB in the DB (to which it had not previously belonged, not even when it held seats in the People's Chamber!) has completed the system of the "political organization of socialism" in the GDR and as a result will contribute to increasing its "political elasticity" (Dietrich Staritz).

It is possible that the delegates of the VdgB/BHG in the DB will more intensively take care of the everyday problems of GDR agriculture than other delegates, who until now--except for the DBD people--had to go into this matter only as a sideline.

FOOTNOTES

1. NEUES DEUTSCHLAND of 27 Nov 85 p 3

2. The official designations are: Christian Democratic Union of Germany, Liberal-Democratic Party of Germany, National Democratic Party of Germany, Democratic Peasant Party of Germany, Free German Labor Union Federation, Free German Youth, Democratic Women's League of Germany, GDR Cultural League, Peasants Mutual Aid Association--Peasants Trade Cooperatives.

3. "GDR Public Law," textbook, second edition, Berlin (East) 1984, p 120.

4. Dietrich Staritz: "New Accents in the SED Alliance Policy," in: DDR-REPORT 16th year (1983), No. 2, p 70 ff. (71).

5. Manfred Scheler: "The VdgB Strengthens Socialist Democracy in the Countryside," in: NEUE JUSTIZ, 38th year (1984), No. 5, p 173 ff. (173).

6. Figures and Facts: "VdgB Promotes the Social Life in the Village," in: PRESSE-INFORMATIONEN (DES MINISTERRATS DER DDR), No. 145 (5583), of 11 Dec 84.

12356
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BERECZ DISCUSSES POLITICAL ISSUES

Budapest PROPAGANDISTA in Hungarian No 6, 1986 pp 5-16

/Article by Janos Berecz: "About the Political and Ideological Program of the 13th Congress and Its Representation in Foreign Propaganda"/

/Text/ Conference of Propagandists, 3-4 July 1985: On Some Timely Issues of Foreign Propaganda and International Information

Propagandists working abroad and for abroad held a 2-day conference on 3-4 July 1985 in Budapest, at the Educational Directors' Headquarters of MSZMP. The conference was opened by Erno Lakatos, head of the Propaganda Department of the Central Committee of MSZMP. Following it, consultations were given by Janos Berecz, secretary of the Central Committee of MSZMP, Pal Ivanyi, deputy head of the Economic-Political Department of the Central Committee, Judit Csehak, deputy president of the Council of Ministers, and Geza Kotai, head of the Foreign Relations Department of the Central Committee. On 4 July propagandists discussed their experiences in sectional meetings. As a conclusion, Janos Barabas, deputy head of the Propaganda Department of the Central Committee gave a summary lecture on the present issues of our country's foreign propaganda and international information. Below is a presentation of the main ideas put forth by Janos Berecz.

In his introduction the lecturer announced that he wanted to outline three topics. First he was going to review the most important events of domestic politics during the past 3 years and the experiences related to them; then he was going to examine those political issues with ideological significance that are related to the 13th Congress; and finally, foreign propaganda was going to be discussed in this context.

Of the important events of domestic politics in the past year Janos Berecz dealt with three: with the commemoration of the 40th anniversary; with the 13th Congress; and with the elections. He emphasized the following:

The 40th anniversary of our country's liberation gave us an opportunity to face our recent history and its values and important lessons. Fortunately, we are moving away from just celebrating anniversaries; now we use anniversaries primarily to take stock.

The 40th anniversary gave us a chance to straighten out a few things in our historical perception. The first thing--that I would call straightening out--is that we have succeeded in demonstrating and proving that the liberation of our country was not an event tied to just one day, but it was a longer social, political, and military process. The military process was opened and closed by the Red Army of the Soviet Union that after more than 6 months of heavy fighting expelled from our country the German invaders and Hungarian riff-raff allied with them; fascist, semi-fascist, and semi-feudal capitalist masses. This struggle claimed a great many victims of the Soviet Union--and of Hungarian society as well--but it gave an opportunity to open up a political and social process. By putting our national sovereignty on a new foundation we were successful in creating a kind of a people's rule, we succeeded in widening the military process of liberation into a social liberation--and in a few years we successfully turned all this into a workers' rule. The new system was not a gift, it was achieved by the most progressive Hungarian democratic forces, communists and other democrats. This is how the liberation became a national cause; the Hungarian nation could live with its freedom.

The events of the commemoration also gave us an opportunity to evaluate the history of forty years, to accept what we had to accept and live with the consequences. We have proved that these forty years were decisive in the history of Hungarian society. We are speaking of the most fruitful four decades of our national history, including not only the positive, but also the negative events and their lessons. We had to accept that this time period was the period of fighting for power and establishing social democracy; for us this has stayed the basic question when discussing the nation's present and future and its socialist tasks. Along with gaining power and developing social democracy, and in order to guard them, we also established new types of ownership, collective social property, on which the creativity and the program of a socialist society are built. We had to accept, and we did accept, in this time period the tough class struggle that ultimately took a new turn with the establishment of the workers' rule--and which, regrettably, was followed by a dogmatic, bureaucratic distortion. In the end this difficult time period and struggle were replaced by a policy aimed at establishing socialist national unity and common agreement, and by the implementation of political means and methods that were not alien to the nation but met with the support of the Hungarian nation and which allowed for and made necessary active and wide-ranging political activities by the Hungarian Socialist Workers' Party.

With all this we demonstrated that these 40 years belong to us totally. It was during this time that we truly developed a sensitivity to both sides and learned to fight on both fronts, and we learned that along with the accomplishments we had to accept the historical legacy of tragedies and conflicts. We completely reject a bureaucratic, distorted way of exercising power, yet we are not willing to turn away from our socialist accomplishments and national values that were born in that time period. We do not let a whole nation feel guilty because bad, deformed policy and political leadership abused the people's confidence. We cannot break down these 40 years into days and pick and choose saying "I will take this, but not that." This time period is as much an integral part of the history of the Hungarian nation as was the 1848-49 war of independence and the time period following it, or 1918 and 1919 and the historical time period that followed. They had their burdens, lessons, and revolutionary results. These four decades were the most creative time period in Hungarian history and so rich in lessons that with adequate learning we can confidently build on them. The policy of the Hungarian Socialist Workers' Party and the relationship between the party and the masses are the guarantee that these lessons are heeded and no more tragedies will be allowed in widening our experiences in building socialism. The most important things are work and creativity, and today in Hungary they are both built on socialist national unity. It was in this spirit that the 13th Congress evaluated our past and defined the future.

The 13th Congress of the Hungarian Socialist Workers' Party assembled in a complicated world situation and rather difficult political climate. The success of this great task proves the strength of our party and its relationship with the masses. During the congress society showed increased interest, political activity and readiness--and the congress's stand became a defining and influencing factor in public opinion. Not only the reports but speeches as well were critical and self-critical, and it is of utmost importance that in the end the congress provided an action plan answering current questions. And although it is in the nature of the MSZMP's policy to express the dialectic of continuity and renewal, this is the first congress that defined it so clearly what renewal meant--and that renewal was needed. This spirit was felt in the speeches and the program itself; now it is out task to represent and indeed implement this program of renewal.

The program is an integral part of developing social democracy, and it marks its direction. This is an extraordinarily important element. In a more difficult situation, in a time period demanding stronger leadership it is easier to think that a tougher, more controlling leadership is not compatible with social dialog and discussion of problems, a more lively political atmosphere and a say in matters, but that the situation demands a period of very strict and unequivocal commands. The congress took the unequivocal stand that the more difficult the tasks and the more layered the social problems, the more we need creative spirit, educated people and working hands. The only way to mobilize these forces is to make people feel that they are a part of shaping politics, and that they are participating in decisionmaking just as much as they are in carrying them out.

Another issue of the congressional program was the definition of economic vitality. Politics do not give an order to economists and experts on economics to produce a 3-percent annual growth; economic growth opportunity does not depend on orders and demands. But we do define and convey the social demand that to achieve our goals we would need a 2.5-3 percent annual growth rate in the 7th 5-Year Plan. It is the task of experts on the economy and economic strategists to find all the possibilities to achieve it.

In summary we can say that the congress resulted in great social activity and its resolution met with approval. But it would be a mistake to think that all we need to do is to introduce a few measures, and the program will be implemented. To a certain degree this indeed does depend on measures--but only to the degree to which they will result in increased social activity and the practical development of creative activities of the masses. All programs are achieved through social activity and not through incantations, prayers or measures. Of course, we need those too, measures, for instance, that make our social policy modern. We also need a program to fight inflation, and in some areas--like science and technology development--we need to bolster development. For all this it is essential that we work out specific programs. But all this only makes sense if it strengthens the practical activities of workers' collectives and individuals, and it if encourages and helps social activity. The third great social event, the elections, was characterized by lively political interest. We had not seen the kind of active, interested forums in the past few decades--not even in the time period of the MSZMP--that we saw in the recent nominating meetings. People were interested in the candidate and his program; a certain political and personal rivalry has become a fact in our public life. Of course, we are just learning this, but it is clear that people attended these meetings not because they were forced to, but because they wanted to, out of genuine interest and political activity.

It is characteristic that this time in the elections along with the policy the politician was evaluated and judged as well. And it is a lesson that the two evaluations did not always correspond. There were some great surprises and we had to realize that people would not tolerate just political representation without personal respect. It happened that while at one place a national functionary was gladly elected, in another voter precinct a similar candidate was rejected. From this point of view--as it was later voiced in the Central Committee's evaluation as well-- it is a great lesson that along with politics the behavior of the person representing those politics is increasingly being considered, judged or appreciated.

In a certain way, the elections also meant a challenge to party organizations. We have been challenged specifically as well; either in the way that the candidate was judged acceptable but new ones were proposed as well, or that the Patriotic Front's candidate was not accepted, and this is why new candidates were introduced. In some places we encountered organized opposition to our candidates. It is natural that in these cases the affected party organization did not hesitate to take action. It makes one thing, though, why some people considered this anti-democratic.

Finally about personal and political rivalry: the elements of some kind of socialist electioneering were emerging. We could be far from being satisfied, because it was too late when we realized that certain rules should have been worked out beforehand. We hung on to equal opportunity; in the end to such a degree that at times we overshadowed colorful personalities, attractive candidates. We forgot that equal opportunity is a legal concept, and ends as soon as political competition starts; when one has to stand up and explain things some people are genuinely better than others.

The lesson from all this is that today we cannot conduct politics the way we did yesterday. The most important result in our opinion is that a national political dialog took place between the party and the masses. We could say a great many things about the congress, our program, the work facing us: we took advantage of publishing the resolutions of the 13th congress much faster than at any time in the past.

Of the political and ideological questions of development Janos Berecz also dealt with three: with the relationship among ideology, politics, and social practice; with the direction of social democracy; and with the complicated topic of the relationship among nation, national value and socialism. Among other things, this is what he said:

It is not enough to look at and examine the relationship among ideology, politics and social practice only from the viewpoint of the latter. This is particularly important in order to strengthen the socialist community and to better understand one another's practice, to establish the unity of principles.

As far as ideology is concerned, it is almost completely identical in the various socialist countries, this is the theory of Marxism-Leninism. The "almost" refers to the fact that in understanding new social experiences there may be ideological differences in some issues. These are transitory until they become shared values, or it becomes clear that they are specific, national and characteristic.

This process took place easily in the communist movement while it had some kind of designated or chosen center. Then that was what decided whether something was general or specific and the action depended on this determination. A center today is not necessary and we do not want one. This is why the generalization of experiences, their becoming shared values and their preservation at a certain level are a more complicated process. The ideology is shared, we are speaking of the basic tenets of Marxism-Leninism. What we do we do with the conviction that we are applying the general teachings of Marxism-Leninism specifically to Hungarian national circumstances on the basis of our own experiences and knowledge.

But in politics there are and there can be differences--even conscious differences. In foreign policy there are no differences, our international political goals are defined in the same way as any other socialist country's. In other areas of politics, however, particularly regarding political consequences of international conditions, there may be differences. They are not theoretical differences, but they are significant. Moreover, in some respects there may even be theoretical differences, such as, for instance, when discussing attitudes toward the concept of reform. These differences do not separate us, they are due to national conditions stemming from the same ideology.

Social practice is multicolored and changeable. Implementing socialism is not the same everywhere. Comrade Janos Kadar worded it this way at the 13th congress: "We do not have a dogma but a creative theory." Of course it is a historical fact and reality that the beginning phase of socialism was not characterized by variability, it was the other way around. But as the opportunity started to present itself to perceive dialectically our dialectic theory, and we started to implement it to our reality that way a multicolored socialist process got under way. In this respect we have to establish emphatically that there is no Hungarian model. There is a Hungarian solution, but it is not necessarily good for anybody else. Let us not try to find ourselves in others, and let us not force others--even just as an inner compulsion--to like our practice and learn from us. But let us be open to implement others' good methods, let us take over from our friends that which works better than ours.

A much debated theoretical issue is socialist democracy. It is important for us to deal with this because the bourgeois standard of pluralism was somewhat forced on us. The dogmatists are afraid of the whole thing, and have only one question: Does the party exert indirect leadership? If it is not indirect, then the party has a problem with its leading role. Believers of the opposite extreme, some "searchers" are saying that there is only one standard: political reform, i.e., the start of a reform of our political institutions.

The 13th Congress of the Hungarian Socialist Workers' Party aligns itself with neither. In the center of our political democracy is the conviction that in order to realize the pluralism of political interests we have to create socialist unity in our institutions, in our case, in a one-party system.

This is not easy, and we know that it has its dangers. It requires the constant maintenance of national unity, the continuation and enrichment of federal politics established 30 years ago. It also means the continuous development of the system of political institutions, but not its fundamental reform.

Our goal is unchanged: the development of Marxist self-management of society through enriching socialist democracy. The party's leading role in this cannot be questioned, the party's conscious activities define the framework within which society develops and socialism is built. At the same time it is necessary that cooperation and social practice be developed among the 3 institutions of practicing power--the party, the government and social institutions. It is becoming increasingly more necessary to exercise the party's leading role through means of social movement, which by its nature is more difficult and indirect than direction from the height of power. We have to get used to this. It is important, for instance, to adjust party education accordingly, to teach not only general theory and ideology, but concrete politics and behavior. Because even harmless dictates will be considered an abuse of power--and the harmful ones even more so. If we want to go with all of society, we have to distinguish ourselves through mental maturity, better style and more active political work.

The government has two very important sides: one is the activities of the organizations of people's representation, and the other is the work of the executive institutions. It is clear that the organizations of people's representation cannot function the way they did yesterday. The process of subordinating the apparatus to the councils will have to take place. And finally, from the point of view of democracy we took a very significant step forward in production. Only 27 percent of our enterprises will stay under state direction, 47 percent will be under council direction, and 26 percent will be directed by elected leaders. This will have an effect and meaning, if we can solve our economic tasks better, and if our party's efforts of actively involving workers in social activities will be expressed in it.

The third important ideological question is the relationship to national value and socialism. In the past years a process took place that is going to strengthen in future years. In this process we not only consider socialism a national value--and the program of socialism a national decision--but we can bring our national values and traditions in line with socialism; in line with socialism's ideology and concept--and with the social practice of socialism.

This is not easy, as we have traditionally been afraid of nationalism. And it is necessary to be afraid: on the one hand, particularly under conditions of the extraordinarily many negative historical experiences of the nations of this region, and on the other hand, because there is still the tradition here of looking at who is smarter and who has been around longer. It is not easy in this region to be both Hungarian and international. I only want to repeat that the process has started--and we want to encourage it--in which the implementation of the socialist program enriches the Hungarian nation, and all the values of the Hungarian nation enrich socialism. We reject nationalism, but let us fight nationalism by strengthening our socialist commitment to our nation and our international connections with other nations, particularly and primarily with the Soviet people.

Speaking of the ideological struggle, the lecturer emphasized that our fundamental stand is unchanged. First of all, this means that the Hungarian Socialist Workers' Party does not give up its position that there is an ideological opposition between capitalism and socialism, and social struggle and political debates are taking place.

Second, we do not give up our basic position that the solution to this opposition can only be found in the area of social practice, and not in disruption, that is, in the escalation of military opposition, meaning war. This would not solve the situation, instead it would mean mankind's destiny and the end of its future. Therefore we are ready to debate, and in order to do this, contact is needed.

Third, cooperation is also necessary. Because in order to avoid military conflict, to conduct debates, contact is essential. And the nature of cooperation requires interest alignment. Alignment of political, economic, and ethical interests.

This is why we have established previously, that in order to solve the major issues of international politics we have to forego direct ideological interests. It is a great pity that the government of the United States started to enforce ideological values and interests in international politics precisely at the time when we discovered this important lesson. Today it is their political attitude that is ideologically motivated; we would like to separate the two because we feel that extraordinarily great and important issues are facing mankind and they cannot be solved directly, ideologically.

If we adhere to these three basic things, we are less likely to fail in our concrete behavior. I would like to add that there is a need to develop the culture of opposition within the framework of cooperation, particularly in debates. We have to achieve a high standard and civilized behavior in class struggle; a small nation should not be tough, but it can be very smart.

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CORRESPONDENT CLAIMS U.S. FUNDS AID 'SOLIDARITY'

Warsaw TRYBUNA LUDU in Polish 28 Nov 85 p 7

[Article by Marek Jaworski: "Washington's Money for 'Solidarity' in Paris"]

[Text] France has a new political scandal made public by the left-wing newspaper LIBERATION which devoted as many as six pages to the affair in its 27 November issue. The article also contained photocopies of various documents.

As it turns out, one episode of this affair concerns a method used in financing the Paris based emigre committee of 'Solidarity' and other anticommunist groups in France.

The Parisian 'Solidarity' committee always maintained that its material existence rested on "fraternal" donations from certain French union offices and in particular from the General Confederation of Enterprises' "Workers' force" (FO). Today, however, we know that this money came directly from Washington. The FO, between April 1984 and April 1985 alone, received $830,000 from the United States for this purpose. A second French organization receiving generous assistance from the U.S. is the ultra-right student organization, the National Intercollegiate Union (UNI). During the same period, they received $575,000. It is worth adding that this organization numbers no more than several hundred members.

These donations were surreptitiously delivered to France by the National Democratic Trust established at the initiative of President R. Reagan and affiliated with America's AFL-CIO. The Trust has the status of a private organization but is funded entirely by the government. It is evident from the photo-copied documents that this organization finances anti-communist activity in nine countries (France is placed on the list between Poland and Portugal). Besides the FO and UNI, other French beneficiaries from this fund include, to a lesser degree, the Institute of Social History (which does work primarily on socialist countries), an emigre Vietnamese anti-communist organization, the International Association for the Defense of Human Rights and the Sino-Soviet Institute.

LIBERATION's published articles, documents and interviews with representatives of the AFL-CIO and FO clearly show the purpose for these funds from the U.S.; they are to be used in the battle waged against communism. Andre Bergeron, FO president, did not hesitate to confirm the subversive character of Paris' 'Solidarity' committee and openly stated that much of its funding comes from his organization. Naturally this money is flowing to France from Washington as it was in the earlier period. These donations did not end in April 1985 but are continuing.

This matter, which the French mass media is also calling scandalous, clearly points to an interference in the internal affairs of France. One aim of American financial support is to assist the FO in its battle with the left-wing General Labor Confederation [CGT] and their official purpose, as stated in published documents, is the necessity of "defending democracy in France".

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POLITICS POLAND

STRONG LIBYAN TIES DEFENDED

Warsaw ZYCIE WARSZAWY in Polish 22 Nov 85 p 6

[Article by Franciszek Nietz: "A Proven Friendship"]

[Text] "The words 'Poland' and 'Pole' are primarily associated with the significant assistance they provide in realizing the ambitious plans of the Libyan revolution. The Libyan people consider the Poles great friends. Their reliability in fulfilling assigned tasks, their promptness in meeting deadlines of every undertaking, all of this produces a feeling of genuine fondness and recognition" stated Abu Bakr Abu Shama, secretary general of the Society for Arab-Libyan-Polish Friendship, during an interview with ZYCIE WARSZAWY.

These sentiments have endured for many years. Friendly relations between the socialist people's Libyan Arab Jamahiriyah and Poland have remained stable and politically valuable to both Warsaw and Tripoli, despite the economic hardships faced by both countries.

People's State Council president, General Wojciech Jaruzelski's announced visit to Libya represents a formal return of the visit made by Libyan leader Colonel Muammar Qaddafi to Poland in September 1982. It will confirm this stability in relations and provide a stimulus to vitalizing and increasing economic cooperation so advantageous to both countries. Both capitals express the belief that there continue to exist significant possibilities for expanding the scale and nature of this cooperation, the framework of which was outlined during the forementioned visit by Colonel Qaddafi to Poland on 9-10 Sep 82. The protocol signed at the time contained among other things, a program to increase cooperation in the industrial sector, to fulfill a number of Polish investment projects in Libya and to increase the number of Polish skilled workers employed in that country.

Financial problems have recently forced the Libyan Government to an inevitable revision of ambitious investment proposals and to slow the rate of economic development. This does not indicate, however, that it will abandon long-range plans for rapid industrialization and agricultural development. One reason for this is the prediction by some economists that in 2 years, after a period of necessary economic restraints, one can again expect an increase in revenue. Tripoli does not intend to make any revisions in its contacts with long-standing and trusted partners, our country most certainly among them, as a result of temporary difficulties. Both capitals, in addition, agree that increased Polish-Libyan cooperation, both in practice and scale, may contribute to speedier resolutions of economic difficulties in each country.

The existing balance in cooperation between the two countries was reached during last year's session of the Libyan-Polish Committee for Economic and Scientific-Technical Cooperation. Outlined during this time were the form increased cooperation was to take, an agreement regarding the scale and nature of bilateral trade, settlement on the means and principles of repayment and an agreement regarding the scale and nature of bilateral trade, settlement on the means and principles of repayment and an agreement regarding the export of Libyan oil to Poland. Our exports to Libya for the current year (according to initial estimates) should gross approximately 250 million dollars. Of this total, 60 million dollars was for the export of goods and 40 million dollars for services.

At present some 9,000 Polish skilled workers are under contract in the Socialist People's Libyan Arab Jamahiriyah. In the health field alone, there are some 1,500 doctors, laboratory assistants and nurses. The majority of our countrymen, however, are employed in construction. Polish construction workers, under BUDIMEX contract, have built scores of agricultural farms and hundreds of apartment buildings in Benghazi and other Libyan cities. Additionally, DROMEX is well known for having built thousands of kilometers of road since 1982. Other examples of work completed by Polish experts are a cement plant in Derna, a generating station in Homs and a floating waterfront in Tripoli and Benghazi.

The export of Polish services to Libya in the future should continue at the present level and may possibly increase. Our country depends on a positive examination of bids to secure contracts for constructing industrial structures in their entirety. Planned undertakings worth mentioning include a factory for the manufacture of ceramic tile and dinnerware. New bids by BUDIMEX and DROMEX are still pending. Let us add that besides services and construction, Polish exports to Libya consists of construction and road machinery, motorized equipment, cable, pharmaceutical items and sugar.

Brisk trade and economic and scientific-technical cooperation promote excellent political relations between the two countries. The governments of the Socialist People's Libyan Arab Jamahiriyah and Poland display identical or compatible views on important issues concerning international politics. This was evidenced during Muammar Qaddafi's visit to our country and is a result of political policy. During his visit, the Libyan leader stated, "We are a people who believe in the principles of friendship and are incapable of betraying that friendship. Our trust in you strengthens as we become familiar with the good, progressive tendencies and directions which are being realized in your country."

Similar beliefs are shared by both countries and are based on a mutual understanding of problems faced by all peoples. The Libyans are pleased to receive Polish support in their activity of unifying the progressive forces in the Arab world. Both of our countries are opposed to the U.S. administration's attempts at interfering in the internal affairs of other countries. Libya and Poland have had bitter past experiences with such attempts, for instance, economic restrictions imposed on our country, and the CIA's recent assassination attempt against Muammar Qaddafi.

Tripoli and Warsaw have consistently condemned Israel's aggressive annexationist policy and the racist regime in Pretoria. Poland and Libya stress the significance of the peaceful efforts made by socialist countries aimed at reducing and stopping the arms race. Close and friendly contacts exist between each country's delegation at the Disarmament Conference. One of the fundamental principles of Libyan foreign policy is extensive cooperation and friendly relations with socialist countries. The most recent example of Libya's consistency in putting this principle into practice is Colonel Qaddafi's October visit to Moscow where he discussed bilateral concerns and current world problems with Soviet leaders.

During the height of economic restrictions and an extensive anti-Polish campaign led by the West, distant Libya stood behind our country and expressed her support for all measures taken to bring about a normalization of our situation. Colonel Qaddafi had stated that "Poland is a country dear to the hearts of Libyans. The domestic crisis in Poland concerns Poles alone and should not become a target for imperialism." Polish-Libyan cooperation and friendship have extensive political and moral foundations and the planned visit by the President of the People's State Council, Wojciech Jaruzelski, will only serve to strengthen this.

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PEACE EDUCATION SYMPOSIUM CONCLUDES

Warsaw RZECZPOSPOLITA in Polish 28 Nov 85 pp 1, 2

[Text] A symposium devoted to the problems in peace education concluded on 27 November in Cracow. Taking part in the 2 day debates organized by Jagiellonian University and the Military Political Academy were distinguished military and civilian scholars, experts in the fields of sociology, psychology, pedagogy, political science, history and philosophy, as well as students from the Academy.

During a discussion on the problems connected with the idea of peace in the national consciousness of Poles at the turn of the 19th and 20th centuries, Lieutenant-Colonel Jerzy Kazimierski stated that a feeling of security in a divided world is relative and not to be assumed to last forever. However, even in a situation of long lasting peace (in regard to Europe) there occur unfavorable conditions which give rise to the opinion that peace can be threatened.

During the symposium which the UN accepted in form and called forth by Poland with a "declaration to prepare society for a life of peace", many problems were raised which revealed the causes of war and which had a deciding influence on the development of peaceful ideas and in educating the young in a spirit of peace.

Soviet research on the dialectics of war and peace were discussed by Colonel Ryszard Rosa. The foundations of a peace policy in socialist countries, as opposed to capitalist, lie solely in the principles of a socialist system which is based on the rule by the working class, a Marxist-Leninist ideology condemning the use of violence and coercion in relations between people, nations and races, and a propagation of humanistic ideals and a world without war and social injustice.

Letters from Politburo member, KC PZPR Secretary Jozef Czyrek and from the chief of the Polish Armies' Main Political Directorate [GZP WP] and deputy minister of national defense, army general Jozef Baryla were read to those attending the symposium.

The KC PZPR Secretary stated: "Our party and country will always stand in the defense of peace and make the education of society in the spirit of peace one of the primary tasks in domestic as well as international politics. I express the conviction that your initiative will meet with a wide response inside the country and be instrumental in propagating the problems connected with peace to groups of youth, teachers and Polish intelligentsia."

The GZP WP chief wrote: "We in the military proclaim ourselves for the peaceful coexistence of peoples and socioeconomic systems based on mutual respect and ideological, economic and cultural emulation, and for weapons reduction and disarmament. Let the voice of Polish scholars confirm the truth of our times, that socialism and peace are inseparable."

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BRIEFS

HOSTILE GROUP IN VUCITRN--As a result of action by the internal affairs organs and nationwide defense and self-protection elements, seven persons acting from the position of Albanian nationalism and irredentism for the hostile organization "Marxist-Leninists of Kosovo" and the "Movement for an Albanian Socialist Republic in Yugoslavia" were uncovered and arrested. This illegal group in Vucitrn was composed of Avdulah Zegrova, employed at the "Ramiz Sadiku" construction-industrial combine in Pristina; Enver Ramadani, employed in the revenue administration in Vucitrn; Dzavid Zegrova employed in the "Polet" textile factory in Vucitrn; Abdurahman Madjuni, 4th-year student at the Economics Faculty in Pristina; and Sabit Tahiri, Baktir Haradinaj, and Ljuam Badivuku, all employed as engineers in the galvanized sheet metal plant in Vucitrn. The investigation of the first four persons has been entrusted to Muharem Ramadani, investigating judge of the district court in Vucitrn. We have learned that all members of the group were suspended from the work organizations where they had previously been employed. We have also learned that Ljuam Badivuku was recently set free. The Vucitrn group distributed pamphlets and flyers with hostile content and other propaganda material. The members of this group directed their actions toward consolidating the illegal organizations and groups in the country and abroad into a unified movement, the so-called "National Front for the Republic of Kosovo." The hostile organization, "Marxist-Leninists of Kosovo" acted on the basis of a program and statute and succeeded in forming "so-called central committees in some Kosovo opstinas." Weapons were found at the time of arrest of some members of the organization. Criminal proceedings have been initiated against another 56 persons who have been active in some Kosovo opstinas. [Excerpt] [Pristina JEDINSTVO in Serbo-Croatian 15 Feb 86 p 4] /12947

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On Our Cover

On our cover are the newest products of REMIX. As a result of the investments and product changes the quality of the modern, new products of Remix is the first--among parts manufacturers--to come up to the international level. The resistor and condenser manufacture based on a Siemens license guarantees reliability and fulfillment of the requirements prescribed in IEC standards. REMIX is going further in development; its hybrid circuit manufacturing plant begins production this year, thus aiding parts supply for our communications industry.

Parts

The Parts Seminar in September gave us the idea of dealing in a stressed way with our manufacture of electronic parts. In the course of collecting articles we found that even at the end of the Sixth 5-Year Plan it cannot be said of our parts industry that it is developing in a lively way. The articles published, each describing some partial achievement, largely reflect this.

Janos Goblos summarizes the new technology for device manufacture and reviews surface mounting. Miniaturization is continuing too and the device manufacturers are demanding new types of parts. In the near future our parts manufacture must prepare to satisfy the demand, prepare to manufacture SMD parts. Both REMIX and the MEV [Microelectronics Enterprise] have begun making preparations and mass manufacture will begin by 1986-87.

The three authors Pasztor, Berkecz and Forrai--who work at the MEV--write about a significant theme, the development of sensors. The resistance thermometer described by them already exists, a semiconductor sensor which could be manufactured. Starting manufacture depends only on demand.

Lajos Kamori writes about the the development of piezoelectric ceramics at KOPORC [Electronic Parts and Technical Ceramics Manufacturing Enterprise]. We can learn for how many purposes the various types of piezoceramics can be used. We also want to aid users with the data sheets published in our NEW PRODUCTS column.

Vecsei and Fodor describe the results of ferrite development taking place at the HAGY. In the area of traditional parts also, for example in the area of transformers, a struggle is being waged to reduce size and improve quality. The authors provide a graphic summary of the properties of ferrite materials and of the difficulties and achievements of development.

We did not receive an article from KONTAKTA (or rather, the material received was a simple product description), but we hope that even so there is development there.

Control Technology

This column appears for the first time. We would like to show the use of microelectronics in modern control technology systems. The PLC equipment is replacing earlier control devices and microcomputer control is spreading. We are hoping for observations, recommendations and--not least of all--articles from our readers dealing with this theme.

Systems

Our SYSTEMS column contains a summary of cable television systems which should be of general interest. We read Sandor Stefler's article about the wonderful services of CTV systems already operating in developed states a little bitterly, but we trust that a similar system will exist in our country shortly.

Professional Policy

The article by Tibor Somlai took this column. The question he raises is not a new one: Is use of user integrated circuits profitable? Even today the answer is not an unambiguous yes or no. The author surveys the capitalist market and compares the conditions there with those at home. He does not say as openly as we that the basic difference in parts supply is that in the West there is one and here there is not. User integrated circuits could contribute to a solution of this problem.

Advertisements, Product Descriptions

Advertisements not only add color to our journal but also provide important information in a graphic form. Our product descriptions frequently supplement difficult to obtain catalog pages and prospectuses. We will publish data sheets providing technical data in our NEW PRODUCTS column for 5,000 forints per A/4 page (in black and white).

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BIPOLAR IC PLANT OF MICROELECTRONICS ENTERPRISE

Budapest MAGYAR ELEKTRONIKA in Hungarian No 4, 1985, 4 page insert

[Article by Bela Laczko: "Factory of the Future--The New MOS-Bipolar IC Element Factory of the MEV"]

[Text] We will lead our readers into a closed world. Its closed nature is not indicated by bars and jingling keyrings; this plant is a work area hermetically sealed from the outside world, a so-called high purity work area. The manufacture of integrated circuits cannot be imagined otherwise. Just think what would happen if a speck of dust or sand 60-80 microns in diameter should settle on a silicon chip if figures 5-10 microns in size had to be formed there. The question is only poetic. The new plant of the MEV [Microelectronics Enterprise] must have at least "10,000 purity"; this means 10,000 specks of dust of no more than 0.5 microns diameter per cubic foot (a cubic foot is about 0.03 cubic meters). The internal work areas have a purity of 1,000 or even 100. This is why it is not easy for us to get into the completely sealed building. First we must undress and then put on special cowled work suits. Then comes the air shower. Even so we disturb the purity.

Inside the view is fascinating, like something from science fiction, people in protective clothing slipping along behind glass walls. In order to understand what we are seeing we must understand the basics of IC manufacture.

The first figure shows a cross section of an MOS integrated circuit transistor. On the p type wafers they first grow a "thick" (500-600 nm) oxide, then they put windows in it (remove the oxide) at the site of the transistors. Another oxide growth follows, but this is thin (about 100 nm) and must be especially pure or the transistor will not work. A polysilicon layer is deposited on the thin oxide with CVD technology (chemical vapor phase layer deposit). With the aid of the photoresist technology, by etching, one must form the control electrode (gate) out of the polysilicon layer and the thin oxide (the figures are formed out of light sensitive lacquer with the aid of the so-called mask), forming the polysilicon conductive network at the same time. Diffusion follows after cleaning the wafer. The n type source electrodes and drain electrodes are made with phosphorus diffusion; thus the polysilicon layer will also be n type and its resistance will decrease. The entire surface of the wafer is protected by phosphor glass, then at those places where they want to create a contact to the metal conductive network they open windows in the glass layer. An aluminum layer is deposited with vacuum vaporization and then the metal conductive network of the IC is formed with another photoresist operation. A new glass layer now protects the finished circuit and the glass layer is removed only from the sites for wiring. This is element manufacture. (The other operations--which we call mounting--are not done in this plant.)

This is the simplest NMOS technology. In practice they use ion implantation--to set threshold voltage and prevent surface channel generation. Another operation used many times, the chemical cleaning, must be mentioned. This is done so that the silicon wafer should be clean--nearly perfectly clean--before the operations mentioned thus far.

Among the steps of the MOS technology we must stress two--the photoresist technology and the thin oxide growth. The significance of the latter is given by the fact that the MOS transistor will work only in the event of a suitable oxide layer. The photoresist technology is the other critical operation; with this one can "sketch" the proper areas, and the size of these is certainly not large. It is no accident that this technology is characterized by the smallest permitted size prescribed in the design rules. The present 5 micron technology of the MEV represents a medium level.

At first approach the bipolar technology seems somewhat more complicated than the MOS technology. Let us study the process of production with the aid of the cross section seen in the second figure. In the drawing one can see a p-n junction isolation bipolar IC transistor. The base wafer is the p type. After oxide growth and opening windows the buried layer is prepared with arsenic diffusion. This strongly doped n+ layer reduces the collector series resistance. An n type monocrystal silicon layer is grown on the specially cleaned wafer; we call this the epitaxial layer; this will be the collector of the transistor. With the aid of more oxide growth and opening of windows it is possible, in the course of boron diffusion, to create insulated collectors within a circuit. After etching the thick, strongly boric oxide they grow a 500-600 nm base oxide in which they form the sites for the bases of the transistors and the resistors of the circuit. The p type layers are also made with boron diffusion. In the course of base diffusion another oxide layer is grown, now to prevent phosphorus diffusion. Where there will be emitter and collector contacts, naturally, they must remove the oxide layer. (The collector contact provides the ohmic contact to the high specific resistance collector layer.) After phosphorus diffusion also an oxide layer is grown; windows must be opened in this at the sites of the contacts; and so the elements of the circuit, so far separate, can be "integrated" with the aid of the metal network. The bipolar circuits are also provided with a phosphor glass protective layer as we saw for the MOS devices.

The three chief operations of the bipolar technology are oxide growth, window opening and diffusion. The epitaxial layer growth not used in the MOS technology adds to this. There are also bipolar circuits where ion implantation is used; for example, resistors with high values are made with this.

Let us look at how the chief operations are done in the element manufacturing plant of the MEV. In our first picture we see wafer cleaning. The wafers with a diameter of 75 mm loaded in teflon baskets are immersed in various chemicals and then washed very thoroughly with high purity water. From here the dried, clean wafers go to oxide growth. An oxide layer can be formed on the surface of the silicon wafers simply; the silicon is transformed into silicon dioxide in the presence of oxygen at a high temperature (1,000-1,200 degrees Celsius) or in the presence of wet oxygen (oxygen loaded with water vapor). The pure, dry oxygen growth is used only to produce the gate oxide for MOS devices; thicker layers are made with the wet process. The Soviet made diffusion heaters are suitable for both oxide growth and diffusion (second picture). The diffusion temperature is also around 1,000 degrees Celsius depending on the quality of the diffusion material and the depth of the diffusion.

Ion implantation is the youngest operation of semiconductor technology in age. The doping material is shot into the surface of the wafer in the form of accelerated ions. Very special equipment is needed for this. It must produce the necessary ions, separate them from other ions and neutral particles and then accelerate them to the desired energy with a voltage of several 10 kV. The MEV has several of these so-called implanters; these can provide the small dose implantation needed to set threshold voltages, set very precisely, and the large dose implantation as well (third picture). The epitaxial layer growth can be regarded as a special technology for the formation of doped layers. With this technology it is possible to produce on the surface of the wafers a monocrystal layer of a definite type several microns thick with a definite doping concentration. In the reactor the silicon is reduced with hydrogen from the silicon compounds at a very high temperature (above 1,100 degrees Celsius) (fourth picture). The desired doping material is also produced by the reduction of some compound. Epitaxial layer growth, polysilicon deposition and even the production of phosphor glass belong in the large family of CVD technologies (chemical vapor phase layer deposit). The latter are now produced at reduced pressure in a hot wall system--similar to the diffusion heater--or by deposition aided by plasma. The modern reactors of the MEV are microprocessor controlled; setting the temperature and the gas doping are automatic. In the fifth picture one can see such an LPCVD (reduced pressure) reactor.

It is worth while to deal separately with the operations of the photoresist technology. Here we are received by even greater purity and by yellow lighting; we do not see much even of the faces of the workers. The Soviet made equipment makes possible the performance of these operations requiring special precision. In the course of our outline of the technologies we saw that the photoresist operation must be used many times. In most cases appropriate designs must be formed to work the oxide layer, but the network can also be etched out of the polysilicon or metal layer with photoresist lacquer protection. During ion implantation also a photoresist lacquer protects those areas where the ions need not be implanted. First the wafers must be cleaned (seventh picture), then they are coated with the aid of a centrifuge. The design on the mask is copied onto the dried lacquer with ultraviolet light. This requires high precision equipment called a mask adjuster (the precision is plus or minus 0.2 microns); with this the design on the wafer can be fitted to the design on the mask under a microscope (eighth picture). The operation requires good equipment and great practice. The developed design (the lacquer is dissolved away from the places where it is not wanted in a solvent) must be etched from the oxide or other layers--protected by the lacquer--after heat treatment. Today a plasma chemical method is most often used for etching. In the equipment (ninth picture) the reactive particles of the plasma created by an electric discharge quickly remove the given layer from places not protected by lacquer.

Finally (tenth picture) we show deposition of the metal layer. The conductive networks of integrated circuits are--generally--made of aluminum. The aluminum is vaporized in a vacuum by electron ray heating (or other method) and precipitates on the relatively cold wafers.

This is the end of our tour. We hope that we succeeded in giving some sense of what characterizes this special world and that the manufacture of integrated circuits has become more understandable. We know that very soon this beautiful new manufacturing line will be a significant factor in domestic parts production. At the same time we must see that there is no halt in development here; the battle is being waged in microns. With further development the present manufacturing line can be made suitable for 3.5 micron technologies. It is the goal of the MEV to reach the 2 micron level by 1990. We trust that they will achieve their goals, thus aiding the further development of the entire electronics industry.

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HEAD OF COMMUNICATIONS ENGINEERING COOPERATIVE INTERVIEWED

Budapest MAGYAR ELEKTRONIKA in Hungarian No 4, 1985 pp 4-6

[Interview with Lajos Koveskuti, president of the Communications Engineering Cooperative, by Bela Laczko]

[Text] [Question] The Communications Engineering Cooperative and you personally have earned a number of distinctions recently--you became a CEMA level outstanding cooperative and comrade Koveskuti won the Eotvos Prize and was elected to the Central Committee of the MSZMP. First of all we congratulate you for your beautiful successes. We would like it if our readers could get a brief historical review as an introduction, about the development leading from the beginning to today.

[Answer] I thank you for your praise of our successes and for your interest in our cooperative. Our achievements commend the work of that collective which has been working here with enthusiasm and in an innovative way for 34 years--since we were founded. Beginning at the end of the 1950's, with the beginning of domestic television, we have been dealing expressly with TV technology, I might say that we have become the "background industry" for television. But what might be called our profile over these few decades is a good bit broader than this.

We started in a good direction, with a few engineer and technician colleagues, when we began to develop a television signal generator. Since the beginning of the 1960's we have also been manufacturing industrial cameras and monitors. More and more outstanding experts joined us.

The president and leadership of the cooperative at that time accepted and supported the plans of the young technicians and an atmosphere developed which made innovative work possible--to use the contemporary word. Inventions and then patents stamped their high level developmental activity, which would have been worth little if there had not been manufacture with outstanding technological preparation and well functioning marketing.

Of course in the heroic age it was not yet possible to separate these activities; often the same engineer developed at night what he organized manufacture of the next day, and then he would get on a planc the third day to talk about technical-scientific cooperation in some distant ministry, which also meant a sure market.

By the end of the 1960's we already had manufacture of service instruments as a specialized institution of CEMA and our annual production approached 200 million forints. In the middle 1970's we created a large piece of equipment, with Soviet developmental financing, which meant a qualitative leap; with its manufacture we reached the studio level.

In these years we decided to combine our scattered units working in Budapest and began construction of a complex at our South Buda site to offer large scale operating conditions. Our own main department for planning, construction and investment and our own construction brigade guided and organized the work and goaded the outside enterprises. Eight buildings were finished one after another, with a total base area of 22,000 square meters, and so we could combine all our Budapest activities. This brings us to today, the number 8 technological building recently began regular operations.

Our plant in Boglarlelle was an important help to our Budapest unit; it has been modernized continually since 1970 and takes care of indispensable manufacturing tasks. As an expansion of it a smaller manufacturing unit has been operating in Fonyod for a year.

Our total personnel approaches 1,500 people. Our production approaches 1.3 billion forints. We have not been among the little ones for a long time; we would like to be one of the big ones, but "only" in the quality of our products.

[Question] What does the cooperative produce, for what markets, with what productivity and with what expenditures? It would be good to know if the HT [Communications Engineering Cooperative] was outstanding among our electronic enterprises in these areas. And another very difficult question for this group: How did the cooperative achieve these results?

[Answer] Our products move over the scale from TV service instruments to TV image processing systems, including laboratory instruments and manufacturing technology and studio equipment; our closed-circuit TV systems cover all the areas covered by the word from educational applications to security alarm systems. Our computer technology equipment is also known in school and metrological applications. This is an activity sphere with many branches but one which is closely interdependent; it is based on small and medium manufacturing series and on custom manufacture with well organized work and a large investment of intellectual capital.

We have no marketing difficulties. In 1984, with net sales receipts of 1.295 billion forints, 75 percent came from export and 25 percent came from domestic sales. Our planned sales receipts for 1985 are higher by more than 100 million forints, 1.4 billion forints. Of this 1.0 billion will go to socialist export (including 0.8 billion forints' worth of CEMA specialized products, fixed in an interstate agreement) and we have 55 million forints' worth of orders from developed capitalist countries. Developed countries such as the U.S., the FRG and France are interested in three of our product families--the instrument family, industrial TV cameras and most recently in a few units of the cable television systems. We see good possibilities in the export of units for CTV systems; we have already developed several units (for example, half-sideband and two-sideband CF modulators) on order for a capitalist partner (with a 3 month deadline!) and already have orders for them worth 2 million DEM. Our special TV cameras also are competitive on the international market; for example, we can deliver them to the U.S. and get the desired profit.

In regard to productivity it might be best if we characterize our achievements with the category of "added value" (GDP). In 1984 this was more than 555 million forints, 15 percent more than in the preceding year. I can characterize expenditures with "added value per wages" as an easily interpreted datum; this was 4.5 forints per forint. (The average for communications engineering enterprises was 3.16 forints in 1984. --the editors.)

I feel that our achievements are not accidental. The secret is primarily in finding and keeping good experts and creating an atmosphere which helps their work. I am convinced that most "decent" people try to be good or even outstanding experts in a given field. In many cases they themselves do not know what it is. It is the task of leadership to put them where their abilities can unfold. Experts love what is new, often this is enough, if we do not hold them back in realizing it. They receive encouragement here. We try to honor our creative experts, not only morally but materially as well. It is difficult to change the bad domestic practice but we can do it. We are gradually but constantly expanding the gap between the pay of technical-economic experts and the other workers. When the wage development at the cooperative was 6 percent we gave the technicians 9-10 percent. Those working in manufacture understood; if they are to have work and earn well there is a need for the creative, developmental, organizing activity of the engineers and economic experts.

[Question] We understand that the cooperative leads in the application of microelectronic development, was among the first in microprocessor technique and is unambiguously first in use of user design (otherwise known as equipment oriented) integrated circuits; indeed, the cooperative itself established a microelectronics plant to process CMOS ULA base wafers. We would like to hear something concrete about the applications and we would be interested in what the interdependence is between use of the user IC's and establishment of the microelectronics plant.

[Answer] The Communications Engineering Cooperative always led in technical development; perhaps we need mention only that we were the first users in Hungary of the TTL circuits, the CMOS logic circuits and microprocessors and a few years ago we were the first in Hungarian industry to use equipment oriented circuits based on semiconductors. Since then six uniquely designed (full custom) circuits have been prepared and others are under development. These LSI-VLSI CMOS technology circuits make possible the extraordinarily modern developmental level of our products. The cooperative played a significant role in CEMA specialization; we are the patrons of service instruments. The dimensions of our microelectronic service instruments are decreasing, their energy consumption is being minimized and the level of their technical services is rising. There are frequently circuit subassemblies in the instruments the integration of which requires semicustom circuit solutions on the basis of technical and economic considerations.

Traveling the developmental path briefly outlined so far we came to a decision on the basis of which a plant was established in the HT to design gate arrays, manufacture, assemble, encapsulate and test chips, partly to satisfy our own needs and partly to satisfy such needs of domestic users. In the plant we now deal with the processing of two gate array families; one has a 3-500 gate complexity with the relatively slower metal gate CMOS technology; the other is a silicon gate CMOS family with a complexity of 500, 1,000 and 1,500 gates. Using the above basic types our engineers have started design of nearly 30 circuits thus far; half of these have been successfully completed, that is, the functioning of the planned circuit has been verified on electric models; indeed, series manufacture of several types has begun already.

Our design capacity is very narrow at present; it must be expanded. We have our own design system and a nucleus for the design staff has developed. On the one hand we would like to expand this design staff by hiring young people and by retraining design engineers working in other areas; on the other hand we will cooperate with other institutions. Among these we have developed the closest link with the Microelectronics Research Institute of the KFKI [Central Physics Research Institute]; the Microelectronics Parts Association (MEAT) founded with them is already functional. The 20 years of experience in microelectronics technology and design of the people at the KFKI helped a lot in getting our microelectronics activity started. In addition we have good links with the MEV [Microelectronics Enterprise] and we see a possibility for design and marketing cooperation with the new enterprise Mikromodul.

Manufacture will begin shortly in our microelectronics plant and I hope that by the time this interview appears experimental manufacture will be taking place in the plant. Our technologists are prepared and I trust that they will be able to overcome the very many problems which come up when putting such a complex technological line into operation. To a significant degree this plant will manufacture circuits for our own use, but we are accepting outside commissions also. There are already interested Hungarian enterprises which have ordered circuits. Some of these are already ready at the design level and manufacture can begin when the plant starts up.

Our initial experiences in the area of gate arrays are favorable and we feel that thinking in terms of microelectronic development and designing and manufacturing microelectronic circuits in-house represents a revolutionary step, not only in the quality and reliability of the products of the HT--and not least of all in the cost-effectiveness of these products--but also it can represent all these advantages in the domestic user industry.

[Question] We understand that the cooperative has started on really big investments, is setting up for self-sufficiency in a number of areas--printed circuit manufacture, surface treatment, microelectronics, for example. What is the reason for this, or we might ask, what prospects justify development on such a scale?

[Answer] Our investments in the development of technology will be determining from the viewpoint of our future. In the interest of our competitiveness we must establish all those supplementary activities which represent our own "background industry." This is how we acted in earlier years too, but the difference now is an essential one--with an accelerating tempo we succeeded in realizing certain background industry areas as the first in the country, in a way which represented a background industry for others as well. Such investments were the above described microelectronics plant and the planned surface mounting technologies plant. Let us note that we enjoy the support of the OMFB [National Technical Development Committee] because with all this we are working to advance the entire communications engineering industry.

I would like to describe our ideas with a few sentences. The reason we are to a large extent developing our own "background industry" is basically the need to modernize manufacture. The view that one needs not only quality design but also manufacturing at a high technological level in order to produce modern products is not yet entirely a general one in Hungary. Perhaps we should start with surface preparation! We had very many problems from the fact that we did not have a surface preparation plant, so the "external form" of our products frequently left something to be desired. The surface treatment plant established--at the European level--makes it possible for our products to look no worse than the product of any Western European firm. Similarly we want to go further in the manufacture of printed circuits. Investment on a fine line printed circuit manufacturing line has begun; this will not only make possible production of chips of the desired quality but also--later--will create the possibility of our converting to the surface mounting technology. These investments and the microelectronics plant guarantee that our products will be at the world level not only up to the time of designing a device but also after it is finished. This gives the real prospects, not a quantitative increase in production.

[Question] The readers of MAGYAR ELEKTRONIKA are accustomed to learning something about the personal aspects of people figuring in the journal. We usually begin, Do you have a family, hobbies? Would the comrade president say something about that?

[Answer] You are asking me to talk about myself. Let me say frankly that I do not like to do so. If I absolutely must say something then let me say only that two factors determine my life--my work and family. I was young when I came to the cooperative and began my career as a developmental engineer. Proceeding upward in various assignments, effective professional work was forced increasingly into the background, I simply did not have time for developmental work. It was difficult to accept this, but despite this I have feelings of success. The family always was and still is the other determining factor in my life. A man needs an understanding, helpful family background to be able to do burdensome work of long duration. I have such a background. My wife is a wonderful woman. She has done very much so that I live and work in a good atmosphere. I have three grandchildren whom I love very much. The love of grandchildren is something different than that of children. They give me very much joy and I am happy.

[Question] Thank you very much for the interview. I wish the cooperative further success and I wish you good work and the strength and health for it.

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PIEZOELECTRIC CERAMICS

Budapest MAGYAR ELEKTRONIKA in Hungarian No 4, 1985 pp 28-31

[Article by Lajos Kamori: "Piezoelectric Ceramics and Their Product Assortment at the KOPORC"]

[Excerpts] The applications for piezoelectric ceramics are already quite varied--filters, vibrators and sound generating devices are made of them. With miniaturization it has become important to develop sound generating and indicating devices of very small size. The present article summarizes the results achieved at the KOPORC [Electronic Parts and Technical Ceramics Manufacturing Enterprise].

The Piezoceramic Products of the KOPORC

In accordance with the needs the KOPORC manufactures disk and flat converters of various sizes. The maximum size of the disks is 35 mm with a thickness of 10 mm. The maximum length and width of the flat converters is 15 mm with a thickness of 2 mm. We intend to increase the dimensions in the near future.

In general we use our material designated Piezolit 5 to manufacture these products. Its characteristics are:

density: 7.6 g/cubic cm,
plane coupling factor: 0.55,
frequency constant: 2100 Hzm,
mechanical quality factor: 70,
piezoelectric constant: d_{33} min. $300*10^{-12}$ C/N, g_{33} $31*10^{-3}$ Vm/N,
Curie temperature: 350 degrees Celsius.

At present the KOPORC manufactures three types of buzzers. The PKZ 42-9 is a broad band type without electronics. It can be used advantageously to indicate sound frequency voltages. The PKZ 21-13 is a narrow band type with electronics. It operates on direct current. It gives acceptable sound pressure with a small size and little current use.

The PKZ 36-21 type is also electronic, a narrow band buzzer operating on direct current. It gives relatively high sound pressure and so can be used in a noisier environment.

Csaba Gyarmati has written in more detail about KOPORC buzzers (HIRADASTECHNIKA, 35, 42, 1984).

The manufacture of additional acoustical products is being prepared. Our page in the NEW PRODUCTS column gives detailed technical data on the acoustical products of the KOPORC.

Among our filters the CF 455-A is actually a resonator; using an emitter bridge instead of a condenser significantly improves selectivity.

The CF 455-B and CF 455-C are band filters for the AM MF stages of radios.

The CF 5.5 and CF 6.5 C filters are made for the audio MF stage of television sets.

The CF 10.7 C filters can be used in the FM MF stages of radios.

Lajos Kamory

I was born in Budapest in 1942. I graduated from the Veszprem Chemical Industry University in 1966. I then worked in the Semiconductor Development Department of United Incandescent where I dealt primarily with a study of semiconductor surfaces. I wrote my doctor's thesis from this material. Since 1973 I have worked at my present job in the KOPORC. I deal with the development of piezoceramic materials and parts and the technology for their manufacture. I am married and have three children. I spend my free time primarily with my family. I like to read and sometimes play bridge with my friends.

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PROGRAMMABLE CONTROL EQUIPMENT

Budapest MAGYAR ELEKTRONIKA in Hungarian No 4, 1985 pp 38-44

[Article by Peter Zalotay: "Programmable Control Equipment (Type TPV-1) And Its Applications"]

[Excerpts] We have been dealing with modern programmable control equipment at the Heavy Current Automatics and Equipment Institute of the Kalman Kando Electric Industry Technical College since 1976. The theme plays a significant role in both instruction and research and development activity. I describe below the TPV-1 type programmable control equipment developed at the institute--on an industrial order.

Applications Possibilities

The stored program control equipment was developed with the primary goal of replacing the traditional relay controls.

The selection of output units makes possible the direct control of small and medium capacity switching devices (relays, magnetic switches) and other electromechanical intervention organs (valves). The input interface unit transforms the state of the primary switching elements into a voltage logic signal, but it is also suitable for accepting two-state voltage or current signals.

The potential isolation of the input and output signals makes the control equipment suitable for use in a "noisy" industrial environment.

The broad applicability of the TPV-1 type control equipment is made possible by the fact that in addition to combinatory control tasks the software level solution of delay, counting and comparison makes it suitable for sequential control as well. Implementing the latter does not require special hardware units in addition to the units already described.

The storage capacity of the user program is 4 K bytes. Considering that the majority of the instructions take 2 bytes it is possible to realize with this equipment tasks which can be described with a program of about 2.5-3 K bytes length--depending on the character of the task. The program capacity and the maximum of 256 input channels and 256 output channels ensure the broad applicability of the equipment.

The units of the control equipment are made in the 2x Europa card size. The equipment can be assembled unit by unit in a rack or in a cased version. In photographs 1 and 2 one can see the cased version which was exhibited at the 1983 Budapest International Fair. At the exhibit the equipment was demonstrated with a program to protect against surges at a power distribution substation.

Peter Zalotay

I am a graduate electrical engineer and college lecturer. I was born in Szentes in 1938. I earned my diploma in 1963 in the communications industry section of the Electrical Engineering School of the Budapest Technical University. I began my professional work in the Fluorescent Lamp Factory Unit of United Incandescent. After that, for 5 years, I was engineer-teacher at the J. Landler Machine and Communications Industry Technical School. I have been working at the Kalman Kando Electric Industry Technical College since 1969, presently in the Heavy Current Automatics and Equipment Institute of the college. I do teaching and research in the area of hardware and programmable electronic controls. I have been dealing with development and use of programmable logic controls (PLC's) since 1976.

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CONSUMER IC'S, DOMESTIC PROBLEMS

Budapest MAGYAR ELEKTRONIKA in Hungarian No 4, 1985 pp 60-68

[Article by Tibor Somlai: "Concerning the Capitalist Market for User Integrated Circuits--In the Mirror of Domestic Problems"]

[Excerpts] One of the central elements of the Electronics Central Development Program adopted in 1981 is domestic manufacture and use of equipment oriented and user oriented integrated circuits. In the time since 1981 several important phases of the investment have been concluded and products intended for commercial trade are already being made on one of the new manufacturing lines. Trade in user circuits is slowly beginning, but today we meet with a number of technical and other difficulties and the take-off is not so vigorous as we might have hoped.

Among the phenomena of the capitalist market for user circuits I will deal in the article primarily with those which can be related to the problems experienced on the domestic market. In addition, on the basis of an analysis of the capitalist markets, I would like to provide the reader with information of primarily an economic character which--we feel--has thus far received little room in the domestic professional literature.

Lessons, Critical Points From the Viewpoint of Domestic Manufacture, Use

1. An analysis of the international market for user IC's proves that in the case of this product group a following semiconductor wafer technology level is sufficient, and that only this can give hope to smaller firms or those newly entering the microelectronics branch. At the same time it must be emphasized that:

--Even a following semiconductor wafer technology must reach a minimal--and constantly rising--technical level if marketable user circuits are to be made with its aid. (Today this level is primarily the CMOS technology, in general with a geometry between 3 and 5 microns.)

--The phases outside of the wafer technology must represent the highest level, and within this the quality of the design and testing processes should receive special emphasis. A study of the capital intensity of these work processes shows that very significant assets must be expended here to make use of the intellectual work.

2. The priority of innovations linked to production processes (to technology) as opposed to product-centered innovation is characteristic of the semiconductor industry as a whole. In the design and manufacture of user circuits also special consideration must be given to technological discipline and the high level requirements made of work organization; at the same time we know that in our country the level of such activities is not too high in general. It can represent a similar or even greater problem that manufacture of and trade in user integrated circuits, because of their service character, require very intensive manufacturer-user contacts, a perfect material supply system and very well "oiled" contract contacts where the commercial and information lines necessarily cross national borders in the case of a smaller country. Trade in this product group requires a high level of services, a level which even the market mechanisms of the most developed capitalist countries could not provide for a long time. All this is a warning that really successful domestic production of user integrated circuits requires special efforts on the part of the manufacturer and changes in the general economic environment going far beyond the problems of this product group.

3. Studying the cases of developed Western European applications and the actual trade figures it appears that even there use does not always go easily; even when developed products and services are offered this new concept is slow to fit into the technical and production culture of the user enterprises. Integration to silicon requires from the user an assumption of risk and the tying down of relatively significant resources and only hard market impulses will force the spread of applications going beyond the level of technical experiments. We believe that the domestic electronics industry not only needs such environmental effects from the viewpoint of user IC applications but also that if there is to be a wider spread of the domestic user IC culture then a technical, structural and economic renewal of the equipment manufacturing industry is indispensable. In other words, only a modern industry will demand and be able to effectively use modern products.

4. In addition to recognizing the basically successful technical conception it must also be seen that manufacture and use of user integrated circuits will take place in a constant competition struggle with other product groups--in the complex environment of constantly changing semiconductor industry technologies. So it is possible that even in the future it may be more efficient and cheaper to satisfy user needs representing a following level by means of software adaptation of purchased catalog circuits--instead of a hardware solution. All this could add to the dilemma of choice among expectations, risks and commitments. Even knowing the present products the choice must be weighed especially carefully when the series sizes are very small, and thus the developmental costs for a user circuit are high.

5. In the course of an analysis of the user integrated circuit market of developed capitalist countries, however, the chief experience to be gained is still that in the near future these products will form one of the chief trends in integrated circuit technology and the market for them will constitute an ever increasing segment of the market for integrated circuits. At the beginning of the 1980's an effort to get into the microelectronics market appears at the government policy level as a principle of industrial development in every developed capitalist country with an electronics industry and in general, as the first phase of this, the goal designated has been design and manufacture of user integrated circuits--primarily because of their strategic importance.

Adopting the design and manufacture of user circuits is also important from two viewpoints. On the one hand it is essential for the larger firms or for national security strategy that the parts development most closely linked to product and system development be "in-house". On the other hand it is more advantageous, in regard to the development of general user culture, if the microelectronics manufacturing base is in the country. In addition, joining in the design activity can have a positive effect on related areas of developed technology--graphics, CAD, software and manufacture of testing equipment.

In the interest of the domestic realization of these advantages and of overcoming the obstacles it is certain that there is a need for hard and consistent work on the part of both manufacturers and users, and it is no less important that the economic regulators and the technical development possibilities should develop in such a way that the domestic electronics industry as a whole can turn in the direction of the world market trends.

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SCIENCE AND TECHNOLOGY ROMANIA

NEW TECHNOLOGIES IN PRODUCTION OF METALS DISCUSSED

Bucharest METALURGIA in Romanian No 9, Sep 85 pp 459-461

[Article by Iancu Dragan, director general of the Central Institute for Metallurgical Research]

[Text] The Institute for Metallurgical Research (ICEM), established in 1950 as a departmental institute specializing in metallurgy, has developed its activities consistent with the orientation and structure of metallurgical progress, seeking to meet the needs created by the metallurgical industry. The institute has developed steadily throughout its existence, being allocated large investments for production and research equipment, machinery, and instrumentation.

This development has been particularly felt during the past 20 years, years during which the secretary general of the party, Nicolae Ceausescu, has devoted constant attention to the growing role of science and technology in the country's economic and social life, and to improved and modernized education, closely related with scientific research and the production of goods.

The continuous consolidation of ICEM's collective as a strong force for introducing technical progress in the metallurgical branch, and for encouraging the creativity of metallurgical engineers, technicians, and workers, has meant that during the 1976-1980 five-year plan, more than 89 percent of the planned investments were completed with domestic designs, a figure which has increased to more than 95 percent during the current five-year plan.

Some of the new metallurgical objectives which have been based on domestic designs and placed in operation, are: the stainless and refractory steel plate section at the Galati Steel Combine (CS); the steel alloy rolling mill for semifinished products at the Tirgoviste Steel Alloy Plant; the rolling mill for small and intermediate cross sections of steel alloys and special steels at the Tirgoviste Steel Alloy Plant; the deep drilling tubular products section at the Republica Tubing Enterprise; and the deep drilling tubular products section at the Roman Tubing Enterprise.

The introduction in production of the results obtained in research, has made it possible to fabricate new steel and non-ferrous alloy products such as: plates for boilers and pressure vessels; cold-milled sheet metal for vehicle bodies; strips for longitudinal- and helicoidal-welded pipe; hot and cold rust-resistant sheets; pipes for the power generation industry and for boilers; stainless steel pipe for the chemical industry; tubular products for very deep drilling; iron alloys (Fe-Si, Fe-Mn, Si-Mn); tool-steel milled products; resistive-alloy wires; extruded aluminum-alloy products for the aircraft industry; aluminum-alloy sheets for the naval industry; and so on.

Today, ICEM has a production base which during 1983 and the first eight months of 1984, produced more than 8000 t of materials with superior characteristics for the advanced industries. For special ongoing programs, it has provided forged blocks and bars of extra pure steels and alloys, flat and tubular products, as well as calibrated wires from among the 14 new types of steels for electrodes and welding rods in the SAOZ program, and the 15 new types of steels for electrodes in the CNE program, in collaboration with the Cimpia Turzii Metallurgical Combine, the Bucharest Heavy Machinery Enterprise, Grivita Rosie, and other users. The institute has started to manufacture a number of special extruded shapes such as high speed elevator slides, hinges for OLTCIT, special alloy tubing for diesel plugs in collaboration with the Republica Transportation Enterprise, finned tubing for the power generation industry, and so on. In addition, it produced a wide range of technical ceramic products to reduce importation, as well as composite special production sandwich materials.

In the fabrication of electrodes for the steel industry, scientific research at the institute and specialized groups at the Central Institute for Chemistry have implemented new manufacturing technologies to reduce specific and power consumption in the production of electrodes, and to improve their overall quality. The industrial results obtained have confirmed that the approach is correct: the electrodes thus obtained are of much better quality and reduce specific consumption in steel plants. It is necessary to continue to maintain the constancy of this technology in the future by assuring manufacturing compositions, an area in which the participation of specialists from the Ministry for the Chemical Industry is a determining factor. The continued supply of acicular coal from domestic production, together with strict compliance with technologic specifications, will form efficient and secure links for a qualitative leap in production at the Slatina IPC.

In steel production, while developing production capabilities in oxygen converters and reducing the proportion of Martin steel, there has also been a great concern for achieving high technical and economic indicators in all phases of technical processes. Work is thus underway to increase the ratio of scrap iron in converter loads, with specific technologies and installations being used on an industrial scale at present on the basis of these projects. Along with the conventional techniques of preheating scrap iron, of post-combustion inside the converter, or of "electrically" superheating the iron load, interest is being shown--particularly for the new perspectives it can open--in coal insuflation. A tight program in collaboration with the Galati CS and IPROMET has been formulated for this purpose.

Also notable is that during the past period, the cumulative effort of research, production, and design specialists has led to the industrialization of modern processes for formulating low-carbon stainless steel with oxygen-argon insuflation at the Galati CS, or with vacuum techniques at the Hunedoara CS. The results obtained, in terms of metallurgical process stability, production quality, and technical economic indicators, testify to the efficiency of these technologies.

In steel production diversification, exceptional results have been obtained on existing manufacturing lines for flat and shaped weldable steel products with high strength and toughness characteristics, thermally processed steels, heat resistant alloy steels, as well as stainless and refractory steels. Also produced were blocks and milled products from alloyed and highly alloyed tool steels, a wide range of products from high-strength chromium and aluminum alloy steels, as well as from nickel alloys of the Invar and Permalloy type. These projects were made possible by the support of specialists from the Galati CS, Hunedoara CS, Resita CS, COST (Tirgoviste Special Steel Combine), CMCT, Otelul Rosu Enterprise, and other Romanian units with a tradition of steel production.

Good results were similarly obtained in collaboration with COST in producing steels for high strength bolts and valves.

Special metallurgical problems are raised by the fabrication of electrical steel strips, and particularly transformer steels. Promising results were obtained together with specialists from the Galati CS and COST, which indicate that the adopted techniques are correct; it remains necessary to hasten the completion rate of established programs and measures.

As part of programs designed to assure domestic materials for the construction of power plants, as well as for aviation, electric machinery, and electronics, researchers together with specialists in metallurgical combines and plants have to solve a large number of technical problems, which require constant collaboration between producers and users. The pursuit of these programs, coordinated by the national Council for Science and Technology (CNST), will provide the optimum framework for completing the proposed objectives.

A special role will continue to be played by improvements in the production structure. Given the good results obtained through standardization, thus reducing by 50 percent the number of types, models, and dimensions of existing steel products, further action will have to be taken to reduce the consumption of steels alloyed with materials that are in short supply.

Economies of energy and fuel have been based on a program to recover usable energy resources, which was begun with analyses at each steel production site aimed at optimizing the distribution of fuel and power.

One of these actions has been to collect and make best use of the secondary combustible gases resulting from the production of cast iron in furnaces and from coal coking.

For better fuel utilization, installations have been designed to introduce furnace and coke gases during agglomeration, steel making, and milling, so as to free various amounts of methane gas or to increase the energy integration of steel enterprises.

Combustible gases and their heat were recovered and used for technical purposes by burning them in special boilers to produce steam and electric power.

These activities will have to be furthered and diversified to fulfill the priority task assigned by the party and state leadership to the metallurgical industry, which is to assure Romania's energy independence by the end of this decade.

In the area of refractory products, technologies were finalized to produce exothermal feeders for radial forging machines; to obtain dolomite and magnesium-dolomite materials for converters; magnesium spinel for making induction furnaces; special spinel products designed to be used in equipment for vacuum outgassing steels; and so on.

Research must continue to help extend the basis of raw materials for metallurgy and associated industries, thus increasing the value both of Romanian and imported raw materials. The rapid and effective implementation of research results in industry, together with the collectives in combines and metallurgical plants, will seek to raise the technical and quality level of products, reduce consumptions--especially of power and materials, and expand the utilization of reusable resources.

In microproduction, steps will have to be taken to increase production capabilities for extrapure steels for aviation, nuclear power plants, resistive alloys, and so on, and to provide the economy with products that are needed in small quantities.

The CS-DT-IPT plan objectives for the 1986-1990 period are derived from the Directives of the 13th Party Congress, from the most recent party documents and orientations given by Nicolae Ceausescu, secretary general of the party, as well as from the indications provided by academy member, doctor, engineer, Elena Ceausescu, first vice-prime minister of the government, and chairwoman of CNST.

The plan includes a number of objectives aimed at developing the basis of raw and other materials, improving the technical and quality level of products, reducing the consumption of raw materials, fuel, and power, further increasing labor productivity, achieving Romania's more efficient participation in the international division of labor, performing fundamental research to obtain the technical solutions needed for the future stages in the development of the national economy, achieving technical and scientific cooperation with other countries, and so on.

In order to develop the raw materials base, technologies are being planned to increase the production of coke, and of coals and their subproducts, to economically exploit Romanian iron and manganese deposits with a low metal content, and to increase the production of refractory materials while improving their quality.

To improve the technical and quality level of products, ICEM is fabricating converter steels with oxygen insuflation, vacuum technologies, as well as insuflation of desulfurizers and deoxidizers in liquid steel. Particular attention is also being devoted to improved extrusion and milling technologies for tubing, precision or designed shapes in steels and special alloys, wires, and strips. An impressive amount of conventional fuel is also expected to be saved throughout the nation by implementing already known technologies, thus helping to comply with national measures for reduced energy and fuel consumptions.

Several research objectives are planned for increasing labor productivity. Cast iron processing outside the furnace will be continue to be developed so as to reduce the content of phosphorus, sulfur, manganese, and silicon, with significant effects on longer lifetimes for refractory linings.

ICEM specialists are planning to apply techniques of high technologic efficiency, minimum consumption, and maximum productivity, such as expanded continuous casting, the formulation of steels by means of non-conventional processes, implementation of computer techniques in all major phases of production, and so on.

In the coming years, the metallurgical industry will place particular stress on new, highly efficient products with a large degree of processing, which will help reduce importations and expand the exportation of high performance materials and equipment. Some of the anticipated products are: new types of thick weldable construction steel plates with high pour limits; various types of tool steel or special alloy strips for the electrical and electronics industry; new kinds of steels for power generation, chemistry, drilling in corrosive environments, and high speed railway transportation; new types of boilers; bearing tubing; titanium and zirconium alloy bars and tubes; special iron alloys; new types of electrodes, chemically bound refractory products, and so on.

The program for greater technical and scientific cooperation with other countries concerns broadening the raw materials base, reducing materials and energy consumptions, long range technologies, greater possibilities for investigating new materials, automated control of steel making processes, and other problems whose solution requires cooperation with other foreign units.

The collective of the institute is determined to continue to contribute through all its activities, in the spirit of the tasks outlined by the party and state leadership and personally by Nicolae Ceausescu, to the development of all aspects of the Romanian metallurgical industry.

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SOCIOLOGY

CZECHOSLOVAKIA

NEW GENERATION OF CZECHOSLOVAK OPPOSITION

Luxembourg LUXEMBURGER WORT in German 11 Jan 86 p 16

[Article by Wolfgang Broer, Vienna: "The Passing of the Olympic Torch in the Czechoslovak Opposition--For the First Time the Younger Generation Takes on the Obligations of the Old Opposition"]

[Text] The Czechoslovak "Charter 77" civil rights movement has shown signs of life again--as it has at the beginning of each new year--and its three new spokesmen for 1986 were nominated. They will shortly provide an accounting of the "charter" activities for 1985, as well as an outlook for the year which has just begun.

The personnel composition of the spokesman-triumvirate is once again very bright, if one considers their political background and origins. Also, a generation change is being seen for the first time. The three new spokespersons are the 61-year-old Jan Stern, the 35-year-old Martin Palous, and the 34-year-old Anna Savato Sabatowa.

The greatest surprise is likely to be the selection of Jan Stern, who was not particularly active recently in the civil rights movement and, more likely, stood somewhat aside. Stern was a journalist with the party organ RUDE PRAVO in the 1950's and defended Stalinist policies at the time. He was no committed party participant in the "Prague Spring," but "converted" at the beginning of 1969 very rapidly to the opposition and was one of the first journalists anywhere who was "purged." He was prohibited from exercising his profession and was forced to earn his living in poorly paid and unqualified jobs. He was one of the first signatories of the "Charter 77" document. In 1984, he retired and substantially withdrew from any activities of the "charter" movement. Jan Stern's first marriage was to Eva Kanturkova, who was a "charter" spokesperson in 1985.

Jan Palous represents that younger generation of the opposition in Czechoslovakia which is following in the footsteps of their parents. He is the son of Radin Palous, a former university lecturer in philosophy, who had also been a "charter" spokesperson and primarily became famous for his seminars and lectures held in private apartments. The political-ideological background of the Palous family can be designated as liberal-Catholic. Martin Palous is a doctor of natural sciences and a trained programmer. He publishes the Samisdat publication ESSAYS and is also active in the publication of INFORMATIONEN UEBER DIE CHARTA [INFORMATION ON THE CHARTER].

Also, the 34-year-old Anna Sabatowa signals a generation change and the passing of the Olympic torch in the opposition environment from the aged to the youth. Her father, Jaroslav Sabata, was once a high Communist Party official, then a prominent personage in the "Prague Spring" and, finally, a "charter" signatory and cofounder of the Committee for Protection of Unjustly Persecuted Persons (VONS). Sabatowa, mother of three children, is the wife of Petr Uhl, who established the "Revolutionary Marxists" group in 1970. In the first great political trial of the 1970's within the framework of Husak's "normalization," Uhl and 16 other defendants were sentenced for "subversive activities" in 1972. At that time, Anna Sabatowa was sentenced to 3 years, Petr Uhl to 4 years in jail.

Shaped in her political orientation by her father through the democratic left, Anna Sabatowa was primarily concerned with publishing the monthly INFORMATIONEN UEBER DIE CHARTA, which has been appearing for almost 8 years now. Her address appears in the masthead. INFORMATIONEN UEBER DIE CHARTA, which is typed and duplicated, publishes the verbatim text of the documents of the civil rights movement, but also contains letters to "charter" from abroad, perhaps from like-minded persons in other East European countries and, for example, letters from supporters of Western peace movements. The publication also runs discussion contributions pertaining to various "charter" documents, as well as hints on important new Samisdat publications.

In summary, it can be said that the appointment of Martin Palous and Anna Sabatowa signifies an important step to the extent that the continuity of the civil rights movement thus appears to be secured and its "drying up" as a result of purely biological superannuation need not be feared.

5911
CSO: 2300/203

CONCERN OVER CHURCH'S INTERNAL MISSION, CONDITION

Schwerin MECKLENBURGISCHE KIRCHENZEITUNG in German Vol 41 No 5, 2 Feb 86 p 2

[Article by F.W. Rabe: "Homecoming to the Fold of a Weatherbeaten People's Church?"]

[Text] During a visit to Sweden I encountered a unit of the Salvation Army in the center of Stockholm. Uniformed and well-ordered, they sang pious songs and cheerfully distributed leaflets. "Come back to Jesus" was their invitation to the rapidly passing crowd. I felt that this missionary action was both touching and helpless. Was it the fault of the "receivers" that the message was not picked up? I rather thought that the "broadcaster" sent out a program incomprehensible to everyone. The positions were set down too rigidly. Flexibility for a dialogue did not seem part of the plan. So there were those singing, and the others rushing by; a law of nature!

Church in Decline

Whoever travels observantly through our northern regions will notice more and more village churches in poor structural condition or even given up to final decay. One sees hardly any effect of the often fruitless efforts of the pastor in charge and individual parish members to restore "their" church.

Often, all efforts to gather a community of Christians into a parish seem just as fruitless. The damaged church building becomes a reflection of the real parish situation. Whoever sees the missionary task of our church primarily one of restoring all church structures in order to regain the image of the traditionally visible people's church will--like the Salvation Army--sing songs understood by no one, and arousing hardly anyone's interest.

In my opinion, in a speech before colleagues of the "Sign of Atonement Action" in December of last year, Berlin General Superintendent Guenter Krusche rightfully asked the question if we can and want to continue as an "area-covering" church in the GDR. Evidently, it is still difficult for us to be a church in the world of real socialism. Structures and theological principles--framed by a golden past--which want to continue to form our parish image, lead or mislead us into unwanted isolation. In the last analysis, only Christians willing and capable of dialogue will be able to be effective in missionary work. And all of us have plenty of homework to do in our churches.

Church in Ascendancy

In the area of the Schwerin bishopric (it corresponds to the territory of our Land church), the Catholic Church implements more and more the restructuring of its parish work. Towns are becoming the focal point of religious life with well-equipped churches and an effective team of priests and co-workers. Although implementation is not always easy--there is a lack of priests and lacking strength of co-workers--, the opportunity for the individual to experience parish life, the capability to influence the surrounding world, are planned properly and with an eye to the future. Catholic Christians in most villages focus more and more on the parish in the nearest town. This way also promotes the willingness to engage in missionary dialogue with people who have moved to the periphery of the church and no longer belong to any church.

Even if it is hard on us, should we Evangelical Christians not also be more honest toward ourselves and others? Is an "area-covering" presence of church buildings and church colleagues, who often involuntarily have become "soloists", missionary? Does it radiate something which can sweep along others? I am afraid that it is rather the reverse and is becoming a hindrance: deterring, disappointing, incomprehensible. Especially outsiders (and they are not becoming fewer) interpret the signs of the good ship Land church in this manner.

Isolated and constricted by outdated structures, it is difficult to preach convincingly about hope and encouragement. Do we know the questions confronting us and our church, and do we take them sufficiently seriously? Do we want to approach the people or, subliminally, do we continue to expect their return to the not-so-sheltering fold of a weather-beaten people's church?

To express it with a thought of D. Bonhoeffer's (he would have turned 80 now): it is not the world that should enter the church, it is the church, rather, that must be on its way out into the world. To realize this--if we want it!--, we need partners in dialogue to whom we should listen carefully at first in order not to miss the way into the world. Old preset answers to questions by men in a society alienated from the church are worthless in this endeavor.

The Catholic theologian K. Rahner expresses it well when he says: "The church does not offer us prefabricated houses that only need to be put together and erected in order to live in them in the right manner. It does offer us strength, however, so that we wanderers find the way to God--

without prefabricated houses. It offers us strength to seek this road and to try over and over again, without fear of the future and without being discouraged by the past."

9917
CSO: 2300/225

VARNAI CONTINUES, EXPANDS REASSESSMENT OF MINDSZENTY

Budapest MAGYARORSZAG in Hungarian 16 Feb 86 p 21

[Article by Ferenc Varnai: "The Mindszenty Issue, Mutual Distrust, Obstacle to Constructive Arrangement"]

[Text] Author Jeno Gergely's book "The Catholic Church in Hungary 1944-1971" (Kossuth Publishing House) alleges that in connection with the secularization of schools a segment of the episcopate was deeply distressed by the strained relations between the state and the Catholic Church. We can read that on 18 September 1948 several prelates--Archbishop Gyula Czapik of Eger among them--traveled to the immediate environs of the pope in Rome to get the Holy See to send to Hungary a visitator whose presence would set limits on Mindszenty or rather on the independence of the Hungarian hierarchy. During talks held at the Vatican, it was suggested as food for thought that the pope order Mindszenty to the Vatican as a curial cardinal. Czapik announced: "The situation is at a standstill, and compromise is impossible because neither the primate nor the episcopate is receptive to it."

Discord could be observed within the episcopate as early as the autumn of 1948. Gyula Czapik and Bishop Laszlo Banass of Veszprem publicly criticized the prince-primate and condemned his policy. They urged compromise as opposed to confrontation. "Mindful of the church's situation in the eastern section of Europe," Pope Pius XII nevertheless granted Mindszenty a portion of his sovereign rights, and thus even without Rome's previous approval the Hungarian cardinal was able to institute every ecclesiastical measure he deemed necessary.

Legal Proceedings Against the Primate

In his pastoral letter of November 1948, Mindszenty shifted all responsibility for failure to reach a compromise onto the state and promised to continue the confrontation. Deputy Prime Minister Matyas Rakosi declared on 27 November: "The policy of tolerance has come to an end...If the church does not do something about Mindszenty during the next few weeks, then we will..." The timing was probably related to the fact that the leadership of the Hungarian Workers' Party had placed the accelerated socialist transformation of agriculture on the agenda. The speedup in policy was accompanied by liquidation of the multiparty system and by restriction of democratic opportunities, but elimination of church resistance took the administrative route. On the day after Christmas 1948, the agencies of internal affairs arrested Mindszenty and several of his colleagues on suspicion of treason, espionage, trafficking in foreign currency, and organizing to overthrow the republic. On 8 February 1949, the People's Tribunal sentenced the primate to life imprisonment. Archbishop Jozsef Grosz of Kalocsa assumed the chairmanship of the episcopate assembly.

The government one-sidedly laid responsibility for the conflict at the church's door, writes the author, even though the conflict fed on mutual distrust: after all, the democratic authorities did not always exhibit proper tolerance of the church's viewpoints. Unfortunately, the reactionary force within the Catholic Church and the battle against religion intermingled more and more. The political trials conducted against the prelates indicated the emergence of a personality cult and a sectarian dogma in ecclesiastical policy at a time when the Catholic Church, led by Pius XII, had committed itself to the Cold War and an anticommunist witch-hunt and had forbidden cooperation with communists on pain of excommunication. Yet it was wrong to declare the Catholic Church the "principal enemy" and to label the battle against clerical reactionaries the principal task. In the strained atmosphere, leaders of both the state and the church made mistakes which prevented the state and the church from entering into a constructive relationship.

It can be established from published documents and affidavits that the accusations in the Mindszenty trial were basically justified. (The public prosecutor brought charges of political conspiracy to overthrow the republic and to restore the monarchy with the aid of foreign currency.)

In the overall very tense and strained domestic situation of that time, however, the danger and seriousness of the case were blown up out of proportion. The propaganda campaign in connection with the trial took aim at intimidating the extremist segment of the clergy which opposed the republic. It is a fact that Mindszenty was an enemy of the Hungarian people's democracy, and a solution was therefore impossible without his removal--a self-protective measure by provoked authorities. The lawlessness was, of course, absolutely inexcusable, as were the methods which wounded the self-esteem and religious persuasion of a significant portion of the faithful.

So talks between the state and the Catholic Church did not take place until the summer of 1950 and only after several rounds, on 30 August, did they result in the signing of an agreement.

Nor Is Imre Nagy Good

The author sums up subsequent developments. On 31 October 1956, the counterrevolutionary officers of armored troops brought Cardinal Mindszenty, who up until then had been kept under restraint, to Budapest. Mindszenty wanted to run his church and the country not from Esztergom but from the primatial palace of Budavar. First he suspended the leaders of the church peace movement from their priestly duties and ordered them to leave the capital city immediately. In a radio speech broadcast from Parliament on 3 November, he made it clear that he wanted to continue from where he had been forced to leave off on Christmas 1948. "It is not necessary for me to break off from my past. By the grace of God, I am the same person I was before my imprisonment." He pronounced the events a "national struggle for freedom" in order to stress the anti-Soviet nature of what had happened and in order to deny that they were aimed at reform of the socialist system. He warned the followers of Imre Nagy that if they persisted in describing the change as "national communist" in character, "still another piece of evidence" could crop up, i.e., the struggle to be conducted without them and against them. Indeed, he even demanded that the revisionists led by Imre Nagy be taken to task: for what had happened in the past, he labeled them "criminals," as well as those against whom they had launched the struggle. If in the meantime armed suppression of the counterrevolution does not occur, then at his urging and with his blessing the followers of Imre Nagy will be driven from power, and complete and overt restoration of the capitalist social order will begin. He made no secret of his goal to reestablish private ownership and to nullify the nationalization which had occurred since 1945. As he put it: "We intend to be a people and a country which are properly and evenhandedly restricted in social interests, which rest on private ownership, and which have an exclusively national cultural spirit."

Mindszenty's speech did not strengthen the "national unity" which he had urged. On the contrary, it contributed in large degree to elucidation of the fronts. It helped many persons undecided up until then--priests and parishioners among them--to understand the essence and actual course of events.

At daybreak on 4 November 1956, the cardinal fled from his responsibilities to the American embassy in Budapest where he was granted political asylum.

As Rejected Politician

Serious talks between the Holy See and representatives of the Hungarian government got under way in the summer of 1970. Prior to this, the Hungarian episcopate had asked the pope to rescind the 1957 decree forbidding priests from assuming their representative functions and fulfilling their political roles, to place the right to grant approval back in the hands of Hungarian bishops, and to repeal the measures taken against participants in the church peace movement. On 13 October 1971, the Vatican came to a favorable decision. However, the government announced that a request for prior approval of the Presidential Council was necessary only for filling ecclesiastical posts which depend on papal appointments, but that prior approval of the chairman of the State Office of Church Affairs was needed for filling a post which depends on the appointment by diocesan bishops and a few other ordinaries. Prior state approval for filling other ecclesiastical posts was gradually modified: mere notification is necessary for a fraction of them, but nothing is necessary for most.

At the same time, a solution was found to the Mindszenty problem. Early in May of 1971, the Holy See offered its solution: allow Cardinal Mindszenty to leave Hungary and travel to the Vatican, allow him to retain the rank of archbishop until the seat of archbishop of Esztergom is permanently filled and, finally, have the state rehabilitate him after he freely bids farewell to his parishioners. The last two conditions were unacceptable to the government. The talks got under way early in September; the Hungarian state was represented by Undersecretary of State Imre Miklos. The agreement signed on 9 September laid down the conditions for departure: the government permits the cardinal to travel to the Vatican, and the Vatican assures the government that after his departure Mindszenty will refrain from meddling in the life of the Hungarian Catholic Church in any manner and from issuing unfriendly statements about--or engaging in hostile activities against--the Hungarian People's Republic and its government. (Mindszenty did not comply with this requirement, nor did the Vatican.) The Presidential Council granted Mindszenty a pardon and discontinued the criminal proceedings instituted against him in 1962 for what he had done in 1956. The government expressed its hope that Mindszenty would retire at the age of 80 in March of 1972 and that the seat of the archbishop of Esztergom would fall vacant.

Mindszenty was in a tight corner because his person had become a nuisance to the United States. On 28 September 1971, he finally left the country. The high priest, who had not altered his earlier views during the decade and a half he spent in the American embassy, was forced to leave his homeland as a rejected politician. When he turned 80, Paul VI in a letter asked the cardinal for his resignation. Mindszenty refused. On 18 December, the pope was compelled to declare the seat of archbishop of Esztergom canonically vacant, i.e., to "retire" Mindszenty.

The final obstacle to completion of the Hungarian Catholic Church's hierarchy was removed. At the start of 1974, titular bishop Laszlo Lekai was made apostolic regent of Esztergom. Then on 10 February 1976, after the prior approval of the Presidential Council, Lekai was appointed archbishop of Esztergom by Pope Paul VI.

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East Europe Report

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AGRICULTURAL WORKERS' WAGES IN EIGHTH 5-YEAR PLAN

Prague PRACE A MZDA in Czech No 10, 1985 pp 11-17

[Article by Eng Jiri Plha, candidate for doctor of science, Central Agricultural Employee Trade Union Committee: "Compensation for Agricultural Workers in the Eighth 5-Year Plan"]

[Text] The 11th and 12th Plenary Sessions of the CPCZ Central Committee evaluated the performance of agriculture during the Seventh 5-Year Plan in some detail. This performance may be summarized by stating that socialist agriculture is meeting responsibly its obligations to society, has succeeded in eliminating the substantial differences that existed previously in the standard of living of farmers in comparison with other workers in the national economy, has vastly improved its performance in generating the resources needed to cover the justified requirements of its employees, and has developed the preconditions for the further development of the agricultural sector and the responsible fulfillment of its tasks in the Eighth 5-Year Plan.

The performance of this sector has been assisted immensely by the introduction of the improved planned management system for agriculture in 1982. This is proved by the performance of both plant and livestock production. An important factor in these improvements were better incentives for organizations and individuals not only to fulfill but to systematically increase both gross and marketable production. The implementation of the set of measures emphasized the need for a direct link between work performance and the level of compensation while at the same time assuring balanced development between increased labor productivity and the overall volume of wages paid. Also contributing to improved performance was a turnaround in the profitability of organizations in the state socialist sector of agriculture. These organizations met their targets under highly unfavorable conditions. Moreover, after years of showing not only planned losses but unplanned losses as well, since 1983 these enterprises have not only been fulfilling but overfulfilling profitability targets. This has improved not only their economic situation, but their standing in society as well.

The compensation situation in agriculture in the Seventh 5-Year Plan may be described as positive. Between 1980 and 1984 average wages and bonuses increased by almost 13 percent, 11 percent in the state socialist sector and 14 percent in the united agricultural cooperative [JZD] sector. At the same time these increased wages were matched by gains in labor productivity. This is indicated by the fact that in recent years there has been no undesirable exceeding of targets for resources designated for wages. This trend has contributed as well to eliminating the differences in wage levels between industry and agriculture (and between agriculture and the economy as a whole). Last year average wages in the state sector were for practical purposes at the level of wages in the national economy.

Offices of the Agricultural Employees Trade Union played an active role in these developments. Their efforts have been focused on the following:

-- developing individual and creative initiatives. so that enterprises and individuals can maximize their output and therefore their wages;

-- the consistent application of the principle that organizational performance and employee compensation move in tandem;

-- the implementation of systems and forms of compensation that effectively motivate individuals to deliver their best quantitative and qualitative performance;

-- the systematic improvement and upgrading of working and living conditions.

It is clear that the implementation of these principles has had a substantial impact on our agricultural performance. They have had a direct impact on every individual by creating a personal incentive for each person to actively participate in task fulfillment and in the systematic improvement of working conditions. This is, in fact, the only way that our agricultural sector can fulfill one of the basic conditions of task fulfillment--the stabilization of a highly qualified work force. Part of this stabilization policy is the relatively rapid growth in the capital asset per worker ratio and the resultant increase in productivity.

Last year the Central Committee of our trade union evaluated very critically the approach of economic and union organizations to task fulfillment during stage I of ZEUMS. Its report stated that during 1984 these tasks were only partially fulfilled. It emphasized that preparations required above all a comprehensive analysis of work management and organizations, including techniques and the maintenance of technical discipline. It therefore put on the record its disagreement with the view that ZEUMS is a task that enterprises either should or can fulfill only at the level of work and wage divisions, or by appointing enterprise standard setters. Efficiency enhancing measures must not only reduce labor and capital consumption, but at the same time upgrade the conditions of work and the working environment. The objective is for work, as provided in section 139 of the labor code, to bring people satisfaction and contribute to their well-rounded development. Furthermore, the degree to which these measures are implemented will be evident not only in immediate labor productivity but more importantly in labor productivity over the long term.

The Central Trade Union Council Presidium further noted that significant potential for improvement still exists in the time that is spent in documenting the work of individuals. Improving this documentation will make it possible both extensively and intensively to utilize work time, make the best use of the qualifications, professional experience, and abilities of every employee. Analyses have also shown that there are significant differences both by worker and by job in the fulfillment of performance standards. The capacity for fulfilling standards for repetitious activities at about 110 percent has a direct influence on the congruence between the planning of tasks and actual work in the sense that output standards provide a precise overview mainly of the extensive use of work time. This type of approach makes it possible to resolve two further pressing problems that are at the same time conditions for the implementation of stage II of ZEUMS. Specifically, these conditions are a reduction in overtime work as a percentage of total time worked and a further increase in wages for the successful fulfillment of qualitative targets, so that incentives account for about 25 percent of wages.

Criticism was also directed at the failure to act on the need for differentiating earnings in conjunction with the across the board application of the merit principle. We can no longer tolerate little or no differences in the amount of compensation between superior, average and mediocre workers. It has been demonstrated that wage levelling has a detrimental impact not only on individual output but also on worker morale and work force stability. Much can also still be accomplished by way of utilizing appropriate forms of wages. Proper forms of wages are those that offer direct incentives to workers to achieve the best possible quantitative and, to an increasing extent, qualitative performance.

Studies by offices of our trade union have also shown that tasks linked to improving the efficiency of the wage system in many organizations have not become an integral part of the daily activities of all managerial and administrative employees. This sort of attitude for practical purposes results in inadequate fulfillment of the tasks of stage I and therefore in a postponement of stage II. Considerable inertia was also discovered on the part of organizational management at the middle management level towards setting deadlines by which the conditions for implementing stage II of ZEUMS must be in place.

Our analysis indicated convincingly that the level of readiness within organizations for the implementation of stage II of ZEUMS--in the contrast to the previous modernization of the wage system--is about the same as in other economic sectors.

It is the opinion of our trade union council that this has come about because of the following:

-- close cooperation between central union agencies and sectoral ministries of agriculture and food in defining unresolved problems in the formulation and implementation of principles of the shift to and the development of stage II of ZEUMS, and the assurance of similar cooperation at the level of central, union, and enterprise levels of management;

-- the fulfillment of all tasks of stage I by those responsible;

-- the development of conditions that will make it possible to monitor stage II of ZEUMS during the current year at least one state farm and one JZD for organizations managed territorially and in each kraj, and in one enterprise per specialty for those organizations managed by specialty;

-- the assurance by the agencies and organizations of the trade union that a majority or organizations fulfilled the conditions for implementing the principles of stage II of ZEUMS by the beginning of the Eighth 5-Year Plan.

This position of the trade union agencies has been acknowledged by ministries and other managerial agencies. In addition, it has been the subject of joint discussions between the Trade Union Council Presidium and the ministries of agriculture and food of the CSSR, CSR and SSR.

This approach made it possible for the Government Wage Commission to agree to the implementation of stage II of ZEUMS at the first two state farms beginning on 1 July 1985. Depending on decisions of sectoral commissions, during the second half of 1985 stage II of ZEUMS may be implemented at other organizations to the extent provided for in the resolution of the Central Trade Union Council Presidium. One must caution, however, that wage systems here, in comparison with other sectors, have been updated generally with a 1-2 year delay. This then is further proof of the positive developments in agriculture and the gradual elimination of differences.

The issue of the compensation system for agricultural workers applies to more than 1 million employees. It covers mainly state farms, seed producing and livestock breeding state farms, large scale feedlot operations and other divisionally managed, specialized state organizations, machine and tractor stations, procurement organizations and other agricultural organizations. It also applies to cooperative organizations; JZD and joint agricultural enterprises. The structural makeup of these organizations (both their objectives and their locations) are very complex and varied. In their total of 1,800 organizations they are the most numerous of all the members of the trade union. When one includes the 1,700 JZD the total number of such organizations numbers around 3,500.

For this reason the fact that the actual implementation of stage I and, especially, stage II of ZEUMS is resulting in the further unification of basic principles may be considered a positive occurrence, because it ties together the generation of resources to be used in compensation, the system of compensating blue collar workers and blue collar positions, and the compensation system for technico-economic functions.

From the beginning of the Eighth 5-Year Plan this unification, in the area of regulations for forming resources used for compensation, will involve mainly the implementation of a system of single component regulation (in the state socialist sector regulation has to date been dual component). In addition, just as in other production sectors, there will be a shift from gross output to adjusted value added. The specific conditions of this sector (the impact of natural occurrences) requires that comprehensive insurance be arranged, and funds set aside sufficient to cover these risks. For purposes of monitoring the expenditure of wage resources (resources earmarked for compensation) it will be necessary to plan for additional wage costs for unplanned spring, harvest and autumn work necessitated by unfavorable weather as well as costs for soil reclamation. The proposed measures also provide for an expansion of the possibilities for counterplanning, up to the time when the economic plan is approved, and in full conjunction with public demand and the capacities of processing industries.

Compensation systems for blue collar workers in organizations of the state socialist sector and at joint agricultural enterprises on the one hand and for members performing blue collar tasks at JZD on the other hand that will be applicable during the Eighth 5-Year Plan are for practical purposes identical in their underlying principles for utilizing wage scales, qualification catalogs for blue collar jobs and the granting of personal categories, and in their evaluation of hazardous and health threatening working conditions for the purpose of setting compensation.

This evaluation included:

-- lists of jobs to which supplements apply in hazardous and health threatening conditions, both for agricultural production and for activities adopted from other sectors;

-- a list of physically very exhausting jobs and conditions for evaluating them;

-- the conditions for the designating of payment amounts.

Similarly, for technico-economic functions at organizations in the state socialist sector of agriculture and joint agricultural enterprises on the one hand and at JZD on the other hand unified principles will be implemented for setting wage rate scales and levels for merit bonuses, for establishing the criteria and actual use of a qualification catalog for technico-economic functions, and the principles for awarding supplementary payments for specific knowledge or knowledge of foreign languages.

For practical purposes, then, these will also be compatible principles for the use of increased wage scales, nomenclature and qualificational conditions, the definitions of technico-economic functions and the principles for classifying these functions according to wage scales. Also compatible will be the guidelines for using the qualifications catalog for technico-economic functions.

In terms of actual regulations, in the Eighth 5-Year Plan it will still be necessary to respect principles related to the position and form of incorporation of these qualifications into a specific job and the individual in a specific job. In cases of JZD members, the specific conditions of work in agriculture will be taken into account.

Differences between individuals who are in an employee relationship with a JZD and those who have a membership relation are most evident in the system of applicable wage scales. This is true of both blue collar and technico-economic jobs. Because individuals who have an employee relationship come under so-called gross rates (where a portion of the wage scale is made up of wage taxes), while members come under a so-called net rate (the compensation is not subject to wage taxes), a dual scale must be used:

a) for workers (i.e., all individuals in an employee relationship in the state socialist sector of agriculture, in joint agricultural enterprises--without regard for whether they are or are not also JZD members--and, finally, for individuals in an employee relationship with a JZD),

b) for JZD members (exclusive of JZD members who are in an employee relationship with a joint agricultural enterprise to which they were assigned by their home JZD) for whom scales derived from a) are used.

Blue Collar Activities

The rates published here relate to blue collar activities and are set as an hourly rate, assuming a 42.5 hour work week. In cases where regulations provide for a 41.25 or 40 hour work week a recalculated scale will be applied based on the above basic scales. In agriculture, plans are to continue to use a monthly wage (bonus) which will be derived from the appropriate basic scale.

Group 1 -- Scale No 1

This scale applies to associated production for jobs that come under a comparable scale in a main sector.

Class	1	2	3	4	5	6	7	8	9
a)	5.30	6.00	6.70	7.60	8.50	9.60	10.80	12.10	13.60
b)	4.50	5.10	5.70	6.40	7.10	8.00	8.90	9.80	10.90

Group II -- Scale No 2

This scale applies to the following functions and activities:

-- concierge, concierge-maintenance man, watchmen, guard, doorman, messenger, repairman for work clothes and accessories, copy clerk, canteen worker, cloakroom worker, janitor (m&f), scale operators, elevator operators;

-- heat generation for central heating buildings (boilers and exchange stations);

-- operation of dining hall and dormitory facilities, administration buildings, housing and educational facilities.

Class	1	2	3	4	5	6	7	8	9
a)	5.80	6.50	7.30	8.30	9.30	10.40	11.70	13.10	14.80
b)	5.00	5.60	6.20	6.90	7.70	8.60	9.50	10.60	11.80

Group II -- Scale No 3

-- production of artificial fodders;

-- processing, treatment and modification of agricultural products in agricultural procurement and supply organizations;

-- raising of decorative plants and mushrooms and final processing and packaging of seed and seedlings for the retail network;

-- livestock production--raising of poultry, laboratory animals and animals raised for furs;

-- personal automotive transport (including bus) and truck transportation in nonproduction organizations;

-- guarding workplaces where there are people serving time for removal of rights and warehouses for storage of explosives and Category I flammables;

-- waste water purification, sewerage network and facilities;

-- generation of heat and electricity in steam power plants and heating plants with a thermal output of up to 30 megawatts;

-- factory railway operations;

-- miscellaneous agricultural activities, including production of wine and gelatins, metalworking (machine production, including spare parts, metal pallets, assemblies, exchangers, tanks, boilers, radiators, mobile storage facilities, machine forming of metal, etc.); the production of concrete and reinforced concrete items, the collection and processing of waste metal.

Class	1	2	3	4	5	6	7	8	9
a)	6.00	6.70	7.60	8.50	9.60	10.80	12.10	13.60	15.30
b)	5.10	5.70	6.40	7.10	8.00	8.90	9.80	10.90	12.10

Group IV -- Scale No 4

-- livestock production not included in group 3, scale 3

-- plant production

When either of the previous 2 activities are engaged in by a nonagricultural organization compensation is according to a group--scale that is one level lower.

-- all types of truck transportation for agricultural, food, and other organizations involved in the mass delivery of products, deliveries to construction sites or to other large consumers and the transportation of large amounts of products, goods and components (raw materials, semi-finished goods, and products) including the specialized transportation of machines, equipment, prefabricated building panels and other sophisticated transportation tasks;

-- the large scale production of organic fertilizers (enhanced humus [vitahumus], industrial composts and fertilizer substrates);

-- the mining and processing of peat;

-- water purification utilizing mechanical, chemical and biological purification techniques for waste water that employ special techniques for the neutralization and elimination of pollutants for safety and health reasons (infection, radioactivity, etc.)

-- large construction divisions of nonconstruction organizations (construction groups for extensive capital construction);

-- other activities of agricultural organizations, including outdoor repair and assembly in agricultural and other organizations (of refrigeration or milking equipment for instance); forest husbandry activities, field work, the extraction and processing of rocks into rock based building materials (wall stone, gravel, crushed stone, etc.), the extraction and processing of other useful minerals (sand, limestone, etc.), sawmill products.

Class	1	2	3	4	5	6	7	8	9
a)	6.30	7.10	8.00	9.00	10.10	11.40	12.80	14.40	16.20
b)	5.40	6.00	6.70	7.50	8.40	9.30	10.30	11.50	12.80

Group V -- Scale No 5

-- work in veterinary disposal divisions (rendering plants [kafilerie]) and other similar work at JZD;

-- reclamation of land and construction of large drainage and irrigation systems on the agricultural soil stock;

-- the outside assembly of capital equipment, machinery and their general maintenance (such as production equipment for fodder mixtures, milking stations, and silos).

Class	1	2	3	4	5	6	7	8	9
a)	6.70	7.60	8.50	9.50	10.80	12.10	13.60	15.30	17.20
b)	5.70	6.40	7.10	8.00	8.90	9.80	10.90	12.10	13.50

Group VI -- Scale No 6

-- cleaning and maintenance of surface and subsurface sewer systems;

-- timber extraction in specialized organizational units, including cuttings made with motorized saws, the mechanical gathering of slashes after timber harvesting; the collection and transport of the raw timber from the departure point in the forest.

Class	1	2	3	4	5	6	7	8	9
a)	7.10	8.00	9.00	10.10	11.40	12.80	14.40	16.20	18.30
b)	6.00	6.70	7.50	8.40	9.30	10.30	11.50	12.80	14.30

Agricultural enterprises have the same potential for applying higher wage scales for blue collar employees as other sectors.

Technico-economic Functions

Similarly it is necessary to differentiate the rates used for technico-economic functions. The following monthly wage rates will be used:

Basic wage rate scale I will apply generally, scale Ia only for employees and members directly involved in production management, and scale Ib only on the basis of a decision issued by the pertinent ministry of agriculture.

Wage Rate Scales and Merit Bonus Levels

Rate Class	Monthly wage rates in korunas						Upper limit on merit bonuses in Kcs	
	Basic Level I		Level Ia		Level Ib			
	Member	Employee	Member	Employee	Member	Employee	Member	Employee
1	900	1000					200	300
2	950	1100					250	300
3	1000	1200					300	350
4	1100	1300					350	400
5	1250	1450					350	450
6	1350	1600	1450	1750			400	500
7	1450	1750	1600	1950			450	550
8	1600	1950	1750	2150			450	600
9	1750	2150	1900	2350	1900	2350	500	650
10	1900	2350	2100	2600	2100	2600	550	700
11	2100	2600	2300	2850	2300	2850	600	800
12	2400	3000	2600	3300	2500	3150	700	900
13	2600	3300	2850	3600	2850	3600	800	1000
14	2850	3600	3100	3950	3100	3950	850	1100
15	3100	3950			3400	4300	950	1200
16	3400	4300					1000	1300
17	3700	4700					1100	1400
18	4000	5100					1200	1550
19	4400	5600					1350	1700

The conditions specific to agricultural work are incorporated directly in the implementational guidelines. These serve to specify the following:

-- risk payments for work with animals including special regulations related to breeding and race horses;

-- time payment amounts for the feeding and caring of horses;

-- payments to employees and members of JZD employed in plant production who commit themselves to working for at least 4 weeks in livestock production when their work load slackens and to workers in livestock production who commit themselves to helping out during the peak seasons for plant production;

-- payments for workers and members who, based on a contractual obligation, perform work during periods of increased work load over and above any commitments entered into for the calendar year in question,

-- payments for work in livestock production operations,

-- principle of incentives for work on Saturday and Sunday;

-- principles of incentives for split shift work,

-- principles of wages and compensation and replacements for them under unfavorable weather conditions;

-- bonuses for preparedness for work in agriculture.

From the foregoing it is obvious that particularly during stage I of ZEUMS the agricultural sector generated, in close cooperation between its economic and union agencies, maximum efforts to resolve the problems which were evident in the compensation system. Another goal was to develop for the Eighth 5-Year Plan the necessary opportunity for a systematic increase in the efficiency of agricultural wage systems thereby contributing the responsible fulfillment of the tasks of the sector for our society, as well as providing for the justifiable needs of our workers, especially regarding their right to just compensation for their work.

9276/12947
CSO: 2400/140

BETTER SHEEP BREEDS THROUGH ARTIFICIAL INSEMINATION REALIZED

Bucharest STIINTA SI TEHNICA in Romanian No 12, Dec 85 pp 9-10

[Article by Dr. Stela Zamfirescu, Dr. Engr. G. Liciu, Engr. Mihai Mazilu, Engr. Florentina Ionescu, ICPCOC Palas-Constanta]

[Text] The documents of the 13th Party Congress plan the realization by the end of the 1986-1990 Five-Year Plan of herds of 28 million sheep and goats, concomitantly with the obtaining of quantitative and qualitative rises in the outputs of these species of domestic animals, major objectives of animal husbandry that can be achieved only by bettering the existing breeds. Artificial insemination is the most efficient of the methods used for this purpose.

This method, utilized on a large scale during the 1960-1975 period, was largely instrumental in accelerating the rate of genetically improving the sheep herds, while renunciation of this method resulted in a drop in fecundity, natality and prolificity, caused by use in reproduction, by natural breeding, of inadequate rams. Artificial insemination is a long-range biotechnical method involving the only means of diffusion of genetic progress and application of latest means of selection of breeders. It assures scientific control of reproduction and monitoring of the fertility of herds, specifically of the selected populations. As a major instrument in improving sheep breeds artificial insemination must be viewed in the context of the outstanding discoveries of biological sciences and of the rapid technical progress made in the last decade.

Practical reintroduction of this method necessitates scientific restructuring and ensuring of the corresponding material and technical basis. Coupling in succession of artificial insemination with other biotechnical methods for intensifying sheep breeding, such as inducing and synchronizing the estrus, early determination of gestation, embryo transfer, maximizesits results. Practice has demonstrated that where artificial insemination is correctly organized and applied, regardless of species, it provides the guarantee of obtaining a high output. Moreover, intensive use in breeding of tested rams of a high zootechnical value or utilization of the stock of genes provided by varius breeds of imported rams brings about breeds of better quality. Utilization in breeding of improver tested rams with higher genetic value is the outcome of selection based on individual performance or descendance. In this context, intensified selection is obtained only by applying artificial insemination through diffusion of the sperm of improver rams in a large number of sheep (500-1000 ewes/ram).

The advantage in terms of sanitary-veterinary factors of artificial insemination in sheep consists in that it is the means of avoiding the propagation of contagious diseases (brucellosis, infectious epididymitis, chlamydiosis, vibriosis, and the like) which can cause considerable economic damages. The rams used in artificial insemination are subjected to clinical and laboratory control in accordance with the laws in force, in this way ensuring full sanitary guarantee. Further, but not lastly, this method also provides economic advantages that involve greater productions, obtained as a result of stepped-up breeding following insemination with diluted, refrigerated or frozen seminal material of a larger number of sheep. Furthermore, encouraging results have been obtained following the international exchange of genes through frozen seminal material carried on with countries that conduct advanced animal raising, that is fully accepted and eliminates the drawback of the acclimatation stress. Moreover, freezing in liquid nitrogen permits conservation of the seminal material recollected from valuable rams outside the natural breeding season and its stocking for an unlimited period. Lastly, another economic advatage involves numerical reduction of the ram herds and consequently of expenditures related to their maintenance, in favor of numerical increase in mother ewes. Further, intensive utilization of seminal material from rams of Australian Merino, Polwarth, Corriedale. Awassi, Friza breeds, for the purpose of improving our local breeds, cannot be realized without application of artificial insemination. In 1984, for instance, rams from the import nuclei, in the amount of 26,000, were not used adequately, as they naturally bred only 209,300 ewes, a situation that is not in accordance with the purpose for which they were imported. The aspects described are only a few of the ones that are designed to argue in favor of resumption of use of artificial insemination in sheep.

Organizationally the program for artificial insemination of sheep and goats is proceeding under coordination of the National Center for Animal Breeding and Selection (CRRSA), with the major operation centers being the ones for collection and diffusion of the seminal material and for artificial insemination (PIAO) proper. In order to efficiently meet the economic need it is necessary for a center for processing the seminal material to ensure the biological material for about 30,000-50,000 breeding ewes over a radius of 10-15 km, and for the artificial insemination centers to use the material on herds numbering between 1000 and 1500 ewes. The artificial insemination centers should be located on farms where the sheep herds occur on a radius of 1-2 km, that would permit the monitoring of the cycle of heats and completion of the operation at the optimal time. The socialist units with larger herds of breeding sheep may organize their own centers for collection and dilution of the seminal material.

Artificial insemination involves a complex activity that encompasses many technical and organizational facets. The program must be well conceived and prepared at least 2 months before the breeding campaign, because its duration limited to 1-2 gametogenous cycles (34 days) causes irreversible effects of any nonrealization from the stages under the improvement program. The measures that should be taken early mainly involve preparation 35-40 days before the breeding campaign of the breeding rams; determination of the herds of mother ewes for artificial insemination and of the locations where this operation will be completed; provision of these locations with the necessary equipment; organization of the sperm transport; training of personnel, and so forth. The success and results of artificial insemination depend on a number of factors and prominent among them are: the physiological condition of the breeders (male and female), correct detection of the estrus, insemination at the optimal time, the point for sperm inoculation, the quantity and quality of the doses inoculated, the skill of the operators. The success of artificial insemination can be ensured only in the context of strict following of techniques for production of the various types of seminal material (crude, diluted-refrigerated and frozen), and of the insemination techniques. A synthetic presentation of the conditions for use of the seminal material preserved in different forms and also of the results obtained are provided in table No 1. [table not included]

As a result of the special anatomical characteristics of the cervix in ewes, the seminal material is deposited at the entrance to the cervix or, depending on its opening degree, as far as at most 1.5-2.5 cm. The methods that provides the best results is profound intracervical insemination by means of the vaginal speculum with individual light (vaginoscope). Moreover, there is the semiautomatic insemination syringe which permits inoculation of the dose of 0.1 ml of seminal material, replacing the traditional suction pipette. For the purpose of obtaining good results artificial insemination should be performed directly by personnel with higher and medium-grade training, while prohibiting performing by personnel without basic zootechnical or veterinary training. Failure in artificial insemination may be due to insufficient preparation of rams and mother ewes, operation performed on still nursing ewes or immediately after weaning or to stress factors (shearing, bath against scabies, vaccination, frequent and rough handling, excessive heat, storms, noises).

In the case of artificial insemination in sheep, organization of breeding and strict following of instructions on monitoring reproduction are constant tasks that confront technical personnel on sheep farms and at the centers for production and distribution of seminal material. The sheep farms at the top of the improvement pyramid (choice females and daughter females) must primarily apply the method of artificial insemination and highly intensively use valuable rams. Intensive utilization of breeders acutely poses the problem of testing these rams based upon individual performance and descendance, specifically for estimation of descendance and removal of breeders that produce offspring with weak productive qualities.

In recent years, the sheep breeding indices have quite unjustifiably declined, resulting in a stagnation of wool productions. In addition to some known causes, related to deficiencies and shortcomings that existed in the feeding and upkeep of breeding sheep, there was much too easy renunciation of artificial insemination and almost exclusive use of natural breeding, that constituted the principal limitative factor in sheep breed improvement and implicitly in increasing production. The key motive of easy renunciation of artificial inseminations involved the consequence of inadequate expansion of the material base and of the organizational framework ensured in their development. Therefore, in order to correct this situation, as early as this year artificial insemination in sheep breeding should be reconsidered in terms of reintroducing it as an advanced biotechnical method in all agricultural sectors. In light of the importance of this program, it must be performed under the best possible conditions, in the context of competent supervision of the development of every link in the technological chain of breeding, of all operations for preparation and completion.

11710
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FRG DAILY COMMENTS ON ECONOMIC DEVELOPMENT, PRICES

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 10 Feb 86 p 12

[Article by Lothar Julitz, datelined Sofia, in February: "Bulgaria Produces Electronics Now--the Federal Republic is the Most Important Western Trade Partner"]

[Text] "Everyshop window in Sofia is a temptation. The selection is big--all you have to do is choose." With these words the Bulgarian Association for Tourism and Recreation Matters promotes a stroll in the capital of the country. These days, whoever experiences the rush of the Bulgarians to the "department store" at Lenin Square or to the kiosks of the "Tsum" set up outside (the building of the biggest department store in the capital is now being renovated), notes not only an obviously wide selection of foodstuffs and semiluxury foods and tobacco, of textiles and clothing, but he also hears the cash registers "ring" in the truest sense of the word.

There are grounds for the assumption that the range of goods for sale and the rush of customers are connected with the preparations for the 13th BCP Congress that will take place in April. The parallel to Eastern cities holding a trade fair is obvious. The snapshot of the chance observer in the Bulgarian capital shows a measure of plentiful supplies in various groups of goods.

The Bulgarians have acquired a modest prosperity in recent years in comparison with other Bloc countries by relatively high growth rates in the economy and by a partially pragmatic economic policy (more freedom of choice and more responsibility of their own for the enterprises; a little more leeway for the private sector). Then came 1985: a severe winter, a growing energy shortage, planning failures, drought, a bad harvest. At the end of the chain, finally a series of price increases: the prices of consumer goods are said to have risen by an average of 10 to 15 percent in the fall of 1985. As a consequence of the drastically reduced energy deliveries from the Soviet Union, the price of gasoline increased 35 percent, that of electric current for households, 41 percent.

"The main task of the socioeconomic development in socialist Bulgaria consists in the increasingly better satisfaction of the constantly growing material and intellectual needs of the people," it is stated in the "1985 Economic Survey" published by the Bulgarian Chamber of Commerce and Industry. This publication shows that the Bulgarians had an annual 1984 income in wages and salaries averaging 2,488 leva (according to the official rate of exchange 100 DM correspond to roughly 110 leva with an "exchange bonus of 80 percent") or 207 leva per month. During the past year this average rate could have increased to 210 to 220 leva.

Undoubtedly it is to be taken into consideration that in Bulgaria school, training and medical care are free of charge, that the rents and the cost of travel on public transportation (in Sofia 0.07 leva regardless of the means of transportation and distance of travel) are low. On the other hand, the visitor can easily ascertain by the prices for important cost of living items in the stores that the level of prosperity is modest. Thus, e.g., a men's overcoat costs between 100 and 200 leva, a ladies dress between 30 and 135 leva, a men's suit between 70 and 150 leva, a pullover, 30 to 70 leva. A color TV set of Soviet manufacture already requires an investment of 850 leva, in other words four times an average monthly income. In a shoe store on ulitsa Positano at the corner of Tsar Kaloyan, "addidas" gym shoes had just arrived with a price tag of 48 leva. Positively prohibitive were the prices for high-grade goods: for a bottle of Scotch whiskey the citizens of Sofia have to spend 38.55 leva. In one of the Corecom (foreign exchange) stores, the price tag for "Chivas Regal" whiskey reads 15 dollars, that for 24 cans of Coca Cola (0.33 liters), 12 dollars; half a kilogram of Vienna coffee costs 4 dollars.

Nevertheless some--though not all--of the Bloc countries envy the Bulgarians for their standard of living. An agricultural country has become an industrial country since the war and the 1944 coup. Thus according to official data, the GNP on the average for the years from 1960 to 1980 has grown by more than 7 percent, industrial production by over 9 percent, foreign trade by over 11 percent. For the 1981-1985 plan period, which was burdened by the difficult development during the past year, the average increase of the national product is stated to be about 5 percent. The per capita national product has increased in real terms by nearly 3 percent a year, whatever that may mean in concrete terms. This development was based--it can be heard in conversations in Sofia not without pride--especially on the economic principle of "promoting industry without neglecting agriculture."

Prior to 1944 more than four-fifths of the gainfully employed were in agriculture. Now one fifth of the gainfully employed work in agriculture but produce several times the production of 1944. In the meantime industry employs 37 percent of the gainfully employed who produce almost 60 percent of the national product. Pronounced growth fields have been in past years especially machine building, electronics, the energy industry and chemistry. For the 1986-1990 five-year plan period, machine building and electronics are supposed to be again the two decisive branches of the economy, according to Deputy Minister for Machine Building Stamenov in Sofia. Considerable increases have again been planned for all important fields.

In the development of the electronics industry Bulgaria is regarded by some observiers as a "Silicon Valley of the Bloc": More than 80 percent of the electronic memory equipment is now produced in Bulgaria; more than half of the Bulgarian exports consists of electronically controlled machines. A further consequence of the division of labor decided on by the CEMA member countries is the concentration of the production of electrically operated means of hoisting and transportation in Bulgaria. Thus, e.g., the "Balcancar" enterprise regards itself as internationally one of the biggest manufacturers of electric forklifts: about 45,000 persons are employed in over 35 enterprises.

"The economic relations with the Federal Republic are good; but they could be even better." This is how Deputy Foreign Trade Minister Kusmov summarized the assessment by the Bulgarian government in Sofia. German industry is one of the most important suppliers of technical know-how; the Federal Republic at the same time is the most important trade partner among the Western industrial countries. Starting points of the criticism of the Bulgarians are the trade restrictions in the Federal Republic which exist in their opinion, especially in the agricultural field as well as for textile products. As regards Bulgarian imports, import prohibitions based on the COCOM list (strategically important goods) are pointed out.

Measured by the total foreign trade transactions (exports and imports) Bulgaria is the smallest trade partner of the FRG among the Bloc countries; its share in the total FRG foreign trade transactions is less than one percent. The development over the past ten years is also not very impressive--an increase from 1.3 to 2.1 billion DM. Since 1980, the German export has increased from nearly 0.9 to 1.7 billion DM (1985), the import from 0.3 to 0.4 billion DM. Exports to Bulgaria include especially machines, chemical products, electrical engineering products as well as textiles and clothing. The Bulgarians deliver especially agricultural products, foodstuffs and semiluxury foods, textiles and clothing, petroleum products as well as iron and steel.

12356
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GROWTH OF TRADE WITH BULGARIA VIEWED

Prague SVET HOSPODARSTVI in Czech No 150, 1985 p 2

[Article by Miroslav Marek of PZO Strojexport]

[Text] The broad base of domestic manufacturing, delivery and consumer organizations is the basis for the extensive relationships with the companies of the wide variety of branches of the industrial sector of Bulgaria, and this is true of exports as well as imports. In its 32 years of commercial activity, Strojexport cooperated with a whole series of Bulgarian organizations, of which some of the most prominent are Balkancar, Balkancarpodem, Technoexport, Izotimpex, Masinoexport, Bioinvest, Transimpex, Intransmas, Technoimport and others.

In the 1960s certain profound changes took place, especially in the structure of the Bulgarian exports to the CSSR. Industrial products gained an important position in these exports, particularly the battery driven vehicles and electrically powered cable and chain hoisting equipment. On the basis of a recommendation by CEMA, specialization in the battery powered vehicles and hoisting equipment took place, much to the advantage of Bulgaria.

In the framework of the exemplary cooperation of Strojexport and Balkancar and Balkancarpodem such a growth of imports of the electric vehicles and hoisting equipment occured, that today CSSR is one of the largest buyers of these machines.

Gradually the imports by Strojexport from Bulgaria not only grew in total revenues but also diversified. Through Masinoexport it imports hydraulic and penumatic elements and radiators, electrical installation materials and high tension electricity technology through Elektroimpex, pumps through Technoexport and Agromasinaimpex, warehousing technology through Intransmas, scales through Izoimpex etc. Imports by Strojexport from Bulgaria reached such a pace that in the last few years they exceeded its exports to the Bulgarian market.

As far as our exports are concerned, in the 1960s and 1970s Strojexport supplied locomotives, railroad cars, heavy equipment and some technological equipment for critical construction in Bulgaria. The most important of these was the equipment for the copper ore handling plant located at the copper mines at Medet. During the next few years our exports consisted chiefly of construction and road building machinery. Through Technoexport and Transimpex our Bulgarian partners receive particularly the universal loaders UN 50 and UN 053.1, the shovel excavator E 302 and 303, front loader UNC 151 and UNC 200, loader UNK 320, the universal finishing machine UDS 110, excavators DH 101 and DH 113, pneumatic roller GRW 101, rollers type VV 100, VW 3402 and VSH 100, vane type cement mixers VD 6 and AP 174, dump vehicles, automatic cement mixers etc. Beside the construction equipment, the primary exports of Strojexport to Bulgaria are mining equipment, window climate control units, injectors etc.

In this year Strojexport will export to Bulgaria chiefly construction equipment and road building machinery with the appropriate accessory equipment and spare parts valued at R17 million. Some of these are the auto mixer AM 369, dump vehicle T 200, loaders, excavators, rollers of various types, and additional spare parts for the ore handling facility at Medet and for the heavy equipment and mining machinery, injectors, window climate control units, etc. We will import battery and motor powered vechiles, add on equipment for the AKU vehicles and trailers, hoisting equipment, switching equipment STOBET, scales, containers, etc.

Since 1981, there has been cooperation in the manufacturing of individual window climate control units of up to 4000W, in which the CSSR manufacturer supplies the heating unit, the evaporator, and the air exchange window unit and the Bulgarian side supplies the cooling condenser and compressor aggregate for air cooling, manufactured under a license from the Japanese company Sanyo. The objective cooperation shows a great promise in its development and has a realistic perspective. The volume of this mutual exchange of goods is somewhere around R one million per year for each side.

Even through the present results of the mutual exchange of goods are unquestionably positive, the domestic markets of both countries will be more demanding in the future, particularly in modernization, innovation and manufacturing of new and more effective and economical types of equipment: and the producers of both countries are reacting positively to these demands.

13067/12948
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KUBAT VIEWS ELECTRONICS INDUSTRY BETWEEN 5-YEAR PLANS

Prague HOSPODARSKE NOVINY in Czech No 46, 1985 pp 1, 6

[Article by Prof Eng Milan Kubat, DrSc, minister of CSSR electrical engineering industry: "At the Turn of the New 5-Year Plan"]

[Text] The interest of the public and experts in electrical engineering and electronics is closely linked to their importance for the further development of all sectors of the national economy. The 16th CPCZ Congress ruled that the production volume of electrical engineering industry was to increase 40-50 percent during the Seventh 5-Year Plan. In 1981, however, the targets of the 5-year plan were revised because of the deterioration of the international situation, shrinking fuel, energy, material and raw materials resources. As a result the dynamism was reduced and pressure for intensification increased.

Growth Rates Are Higher

This affected also the plan of the electrical engineering industry. Our sector, however, did not passively accept the planned reduction of dynamism, but on the contrary, despite the reduced resources, offered higher growth rates than those considered in the revision of the 5-year plan.

On the basis of the higher targets accepted in the counterplans, the 10th plenary session of the CPCZ Central Committee set for our sector the goal to come as close as possible to the upper limit of production increase specified by the 16th CPCZ Congress. Instead of the 138-142 percent rate set for the electrical engineering industry by the law on the Seventh 5-Year Plan, we want to achieve a 149 percent growth.

In contrast to the directive for the Seventh 5-Year Plan, we plan to increase the commodity production by almost Kcs 8 billion by the end of this year. We met the 5-year plan target in the adjusted net output as of 30 October 1985, and we want to exceed this indicator Kcs 3 billion by the end of the year.

As to production, the Seventh 5-Year Plan target will be substantially surpassed--by Kcs 2.4 billion--in the deliveries for the investment projects. We will contribute to the implementation of capital investment plans and to better supplying of the national economy with the computers.

The Seventh 5-Year Plan target for the deliveries to the consumer goods inventories was surpassed by Kcs 1.5 billion both in the wholesale and retail prices. During the 5-year plan the increase in the consumer goods inventories at retail prices will represent Kcs 3 billion, the increase in wages paid in our sector Kcs 1.5 billion.

With regard to export to the socialist countries the annual plans which are in conformity with the annual protocols on commodity exchange are fulfilled. Exports to the nonsocialist countries, however, are not completely met either in terms of the 5-year plan targets or annual plans which were reduced in view of the international situation. This was affected by the lower fulfillment during the 1981-1982 period. In the subsequent year the annual plans were fulfilled.

This 5-year plan's targets will be substantially surpassed in the area of component parts, computers, measuring and control devices. The conditions were thus created for an eccelerated electronization of the national economy.

The sector of microelectronic components in particular has achieved high dynamism. In comparison with the year 1980 the production of progressive integrated circuits increased more than 3.5 fold. Conditions were created for the introduction of micro-processor production, including auxiliary circuits of 8000 series, RAM, RUM and EPROM memories and other circuits indispensable for the construction of computer systems. Furthermore, manufacture started of integrated circuits of CMDS technologies noted by the low electric energy consumption which is expressed in microwatts. One-chip microcomputers are also being produced.

In the course of the Seventh 5-Year Plan we started with production of a large assortment of computers of the SMEP series which made possible the application of computers in additional areas of the national economy. Microcomputers SM 50/40 and SM 50/50 for example are used for control of robots and manipulators, while microcomputers SM 4-20 and SM 52/00 constitute the basis of specialized complexes for health care, agriculture and are employed also in control of the power sector and automated control systems for technological processes and production.

New Products

As the first among the CEMA countries we are preparing for production a 32-bit microcomputer SM 52/12. It will make it possible for us to create efficient interaction systems for computerized design and construction.

In the category of medium-size computers we began with the manufacture of EC 1025, 1026 and 1027 systems. EC 1027 became available this year.
Its output is 400,000 operations per second has the 1-2 megabytes capacity of semiconductor operational memory on 16 kilobit memory elements MHB 4116 of Czechoslovak manufacture. EC 1024 computers represent a good basis for designing computerized control systems in the nonproduction area.

The new microelectronic components based on 8080 microprocessor and microcomputers 8048 constituted also a good start for the manufacture of Czechoslovak personal computers of the SMEP series--PP 01, 02, 03 and 04 as well as of other types developed on our initiative. Among the latter are personal microcomputers IQ 151 for schools, personal microcomputers PMD 85 for consumer good inventories and further self-improvement, composite microcomputers for schools PMI 80 and industrial control units SAPI 1 and SAPI 80.

In the category of peripheral equipment we started production of mosaic printers, alphabetically digital and graphic displays, efficient chain printers and recently also electrostatic impactles (bezuderovy) printers. Despite the rapidly expanding manufacture of peripheral equipment there are precisely in this area the biggest capacity problems which limit the final complementation of the computer systems.

In investment electronics we started to manufacture in the course of the Seventh 5-Year Plan fully electronic branch telephone exchanges and telephones with push button dialing. Likewise the TV and radio transmitters as well as studio and transmission equipment were modernized. A completely new area which we entered during this 5-year plan is the manufacture of sets receiving the television and radio programs directly from the satellites.

Development has started on the new generation of completely electronic telephone exchanges for municipal calls and branch telephone exchanges of big capacities. In telecommunications both these projects will be of key importance also during the priod of the Eighth 5-Year Plan, when their results will be gradually applied in production. I could mention also other sectors such as measuring and laboratory equipment where we succeeded in cooperation with CSAV [Czechoslovak Academy of Sciences] in manufacturing the first Czechoslovak electronic lithograph, in medical equipment it is a number of new instruments increasingly using electronics, including equipment for cryosurgery and the like.

The control systems for production machinery represent a separate chapter of automation application. In the course of this 5-year plan new CNC control systems have been developed and used for rectangular and continuous control of lathes, cutters, boring machines and their centers. These systems are likewise being prepared for the forming machines. The control systems operate on the basis of microprocessors and have a progressive modular composite design which makes possible their employment also in the control of integrated robots and manipulators. Programmable automatons proved themselves both in this country and abroad. The modern electronic base largely contributes also to the modernization of efficient action elements, automation of linear and jogging [krokovy] power drives [servopohony] for shifting and spindles of machine tools.

We have paid attention also to the expansion of production and innovations of consumer electronics. The biggest progress has been achieved in color TV sets. The basic model of the color TV Czechoslovak-made set with a diagonal 67 cm long has been supplemented with a model with a diagonal 58 cm long and two portable color TV sets with 42 cm and 30 cm diagonals respectively. The useful value of TV table model sets has been enhanced by remote control.

The innovation of coil tape recorders emphasizes the hi-fi quality and semiprofessional design. There appeared recently on the market a minicasette player KM 340 [walkman] as well as the first VCRs. Their assortment will increase next year by the types manufactured in production cooperation with the USSR and PHILIPS firm with which we cooperate also on the development of the digital CD recorder.

Despite the high production growth rates which have been achieved during the Seventh 5-Year Plan we were not able to meet the requirements of the national economy completely. This is particularly true of the sectors of the component parts, computer equipment, measuring and regulatory equipment and cables.

What Is Required of Us?

All this demonstrates that, in comparison with this 5-year plan, we shall have to substantially increase in the forthcoming 5-year period the annual growth rates of both production and innovation. The negotiations on supplier-customer relations for the Eighth 5-Year Plan have confirmed that the doubts about the national economy not being able to absorb the planned production volumes are absolutely unjustified. At the same time it became clear that the customers are still not able to express their needs reliably ahead of time.

In drawing up the Eighth 5-Year Plan we proceeded from the Conception of the Growth of Electrical Engineering Industry up to 1995 which was apporoved by the CSSR Government presidium as the documentary material for the preparation of the Eighth 5-Year Plan guidelines. The second important document was the Long-Term Comprehensive Program of Electronization of the National Economy adopted by the CSSR Government in September 1984. This document contains the tentative plans for the electronics application in the selected key sectors of the national economy and for the expansion of key sectors. Among them are the component parts basis, technological facilities, technical means for control and automation, in other words sectors securing the material-technical basis of electronization.

One of the highest production increases in the national economy ever is being planned in the electrical engineering industry for the Eighth 5-Year Plan--approximately 160-165 percent. This head start on expansion of electrical engineering industry is to create the fundamental condition for the implementation of the long-term comprehensive program of electronization. The production increase in our sector aims particularly at the production of material resources for this program and is contained in the state target program 07--The Expansion of Material--Technical Basis. Program 07 concerns especially the production of semiconductor and microelectronic elements, computer and automation systems and special purpose technological equipment for electronics production. Within the framework of our sector, we are proposing varied growth rates from 180 to 300 percent for individual branches.

In the next 5-year plan we assign priority to the investments for the increased production of component parts, special purpose machinery, robots and manipulators, while reducing at the same time the growth rate of high-voltage (silnoproudovy) electrical engineering requiring a great deal of materials. Investment funds which will be at our disposal will be twice as large as in the Seventh 5-Year Plan. Three quarters of them are designed to effect the modernization of the technological basis of our sector with the emphasis on the replacement of obsolete and worn-out machinery. The increase in the capacity of our production of special-purpose technological equipment will significantly contribute to the technological modernization of our sector.

We expect the investments in technology to contribute to a substantial increase in labor productivity which in comparison with the Seventh 5-Year Plan is almost to triple. One of the consequences of this labor productivity increase will be further price reduction primarily of electronic components and thus also of end products. In the final analysis this should contribute to the more rapid application of electronics in the national economy.

Where Cooperation Helps

The most important precondition of structural changes is the more intensive participation of our sector in the international division of labor. The Soviet Union was, is and will remain also in the future our principal partner. The problems solved in our scientific-technical cooperation with the USSR cover a large area of topics from microelectronic components to communications, computers, automation and medical instruments, consumer electronics to high-voltage electrical equipment.

As an example of successful division of labor we can mention the development of facilities for electron litography BS 600 including comprehensively equipping the entire technological process of manufacture of VLSI (very high integration) integrated circuits with an additional complex equipment for control of surface properties of solid substances. In view of the complexity and demanding production requirements this equipment is manufactured only by a few top firms in the world.

The development of integrated circuits LSI (high integration) of the K 580 series has also been successfully concluded. Its advantage is the comprehensive approach including quality, reliability, programming and testing equipment. Together with our Soviet partner we are preparing additional projects for scientific-technical cooperation among which are:

--innovation of color picture tubes;

--computerized design of VLSI integrated circuits on the basis of a 32-bit minicomputer;

--integrated circuits for cardiostimulators;

--metal x-ray converters of large diameter;

--development of modern vacuum exchanges;

--TV transmitters;

--studio equipment.

A new perspective area of cooperation is the complex of equipmetn for the data transmission by light conductors [svetlovody] in regard to which a program of scientific-technical cooperation has been formulated for the 1986-1990 period.

Consumer electronics is a separate area of scientific-technical cooperation. Here a successful start was made for joint work on video tape recorder, a portable color TV set. Cooperation is expected to be expanded to include casette automatic recorder (kazetove prehravace), advanced phonograph equipment, lithium batteries for pocket calculators and electronic wrist watches.

Cooperation of both countries in science and technology is reflected also in other areas. On the basis of consultations of CSSR and USSR planning agencies it is anticipated that in comparison with the Seventh 5-Year Plan the exports to the USSR will increase 75 percent and imports form the USSR 98 percent during the Eighth 5-Year Plan.

Our second biggest partner is the GDR where cooperation is focused on electronic components, high-voltage electrical engineering, medical appliances, measuring and regulatory equipment. A total of 25 contracts have already been signed with the GDR on production specialization in the above areas and additional contracts are being worked out. On the governmental level an agreement was signed with the GDR in 1983 on cooperation in the manufacture of color television tubes. The subject of this agreement is the specialization and cooperation in development, production and mutual deliveries of a number of materials, semi-finished products and subassemblies in glass and chemical industry, metallurgy and electrical engineering.

Likewise, thought on a smaller scale, cooperation develops with other partners among the socialist countries including Vietnam, Cuba, the Mongolian People's Republic, Korean People's Republic and Yugoslavia. A total of 36 multilateral and 55 bilateral contracts have been signed by our sector on cooperation with the socialist countries. These contracts will be extended for the period of the Eighth 5-Year Plan. By the end of the Eighth 5-Year Plan already 65 percent of the total export volume will be secured by contracts.

Electronics has become an indispensable condition of further production increase, intensification of the national economy and Czechoslovakia's successes on the foreign markets. Its share in engineering production will further increase from the present 17 percent to approximately 22 percent by 1990. We are entering the Eighth 5-Year Plan with determined resolution to work better, to achieve higher labor productivity and high technical standard. To promote the program of electronization which the Czechoslovak economy has set for itself.

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INTERNATIONAL R&D ASSOCIATION 'ROBOT' DISCUSSED

Prague PODNIKOVA ORGANIZACE in Czech No 9, 1985 pp 379-382

[Article by Eng Vratislav Valek, candidate for doctor of science, Federal Ministry of Finance: "The Association 'ROBOT'; an Example of Direct Khozraschot Relations Within the CEMA"]

[Text] The senior level economic conference of the CEMA member countries emphasized the need for the broad development of direct relations among the agencies and khozraschot organizations of the interested countries, in the form of production cooperation and specialization, international R&D associations, joint ventures, etc. One of the specific examples in this area has become the establishment of the international R&D association "ROBOT" in March 1985 between participating organizations of the CSSR and the SSSR. It is significant that the area of cooperation chosen for this association is in advanced engineering--namely the research, development, engineering and production of industrial robots and manipulators the outputs of which contribute to improved productivity and efficiency in other economic sectors.

Basic Considerations

The 23d Plenum of the CEMA approved a "General Agreement on Multilateral Cooperation in the Development and Organization of Specialized and Cooperative Production of Industrial Robots," with a time frame for fulfillment that extends to the end of 1995. The areas of cooperation between the CEMA member countries will be as follows:

--Analysis of the existing designs of automated manipulators with programmed controls (industrial robots) used in various branches of the national economy of the socialist countries and in world robotization activities;

--Preparation of proposed agreements (protocols) and the upgrading of existing contracts regarding R&D cooperation in the development and production of industrial robots;

--Preparation of contract proposals to intensify and expand cooperation and production specialization of industrial robots, unified parts, and their components;

--When necessary the preparation of proposals to expand existing and build new facilities through the joint efforts by participating CEMA countries to produce automated manipulators with programmable controls, unified junctions, and their components.

The above description of program cooperation shows that this is a broadly used program that focuses on all parts of the development-production-use cycle, including potential joint investment activities. In the CSSR a state priority program for robotization was formulated for the Seventh 5-Year Plan that provided for the introduction by the end of 1985 into the production process of 3,000 industrial robots, a number that is projected to increase to 13,000 by 1990. These installations are projected to eliminate 5,000 employees in 1985, with labor savings by 1990 to run to the order of 30,000 employees. In addition, users of these robots will realize further savings and improvements including increased labor productivity, reduced energy intensiveness of production, the elimination of heavy and risky work, etc.

In our economy the largest producers of industrial robots and manipulators are Presov Industrial Automation factories [ZPA], Snina Vihorlat, Kolin Tesla, Plzen Skoda, the Bratislava Automotive Factories [BAZ], the Detva Heavy Engineering Works [ZTS], Prague ZEZ, the Kosice Heavy Engineering Works [ZTS], and others. Industrial robots have already been installed successfully at the Mlada Boleslav Automotive Plants [AZNP], national enterprise, the Dubnica Heavy Engineering Works [ZTS], the Strakonice Czechoslovak Motorcycle plant [CZM], the Nove Mesto Kysucke Ball Bearing Plant [ZVL], the Kosice East Slovak Machine Works [VSS], and others. The principal coordinator of research and development is the Research Institute for the Metals Industry [VUKOV] in Presov, a facility that has already had a number of successes in international cooperation within the context of the CEMA. The main partners in these cooperative efforts have been the USSR, GDR and Bulgaria.

The importance attached to the rapid development of robotization in the CSSR and the USSR has led both sides to formulate the Agreement Between Both Governments Concerning Cooperation in the Development of Robotics Technology Complexes and Flexible Production Systems and on the Establishment of the International Association "ROBOT." In a relatively short time we have succeeded in reaching fundamental agreement on an overall approach to the specific objectives of cooperation, the organizational forms for their resolution, and to resolve the related basic technical, economic, organizational and other issues.

Cooperation between the CSSR and the USSR in the area of industrial robots and manipulators has already developed a history. Its first products were demonstrated at the "Robot" 1982 exhibition in Brno, where a simulated worksite was constructed for the operation of equipment with the universal UM160 manipulator of joint Czechoslovak-Soviet development, an automated forming work station, etc. In this 5-year plan one objective of cooperation is the development of prototype series for machining and interoperational handling of workpieces and plates up to 160 kilograms in weight, along with a joint special purpose manipulator for pressure castings, a new type of industrial robot for flat forming at high work speeds, and an alternative control technology based on microelectronics and fluidics for explosive environments.

Joint Czechoslovak-Soviet cooperation in this field has also been implemented through joint design, engineering and technological office, "ROBOT." All experiences to date have been evaluated during the formulation of ensuing cooperative programs. These later programs involve the recruitment of specific khozraschot entities of both countries for R&D and economic cooperation through the international R&D association "ROBOT." From this viewpoint specifying the content of the activities of this association and resolving the organizational and institutional links between the participating entities is of great importance. Another important component of the management mechanism is the system for allocating and selling the products that are produced.

Objective of Activities and Organizational (Management) Structure

Cooperative activities are expressly defined within the context of the International R&D Association "ROBOT" in the Program of Research, Development, Design-Technical and Experimental Work, the Production of Prototypes and Test Series of Robotics Equipment Complexes and Flexible Production Systems for 1985-1990, which represents an inseparable component of the intergovernmental Czechoslovak-Soviet agreement. Specifically, this cooperation will be implemented in the form of agreements concluded in line with the legal codes of the CSSR and the USSR. The adopted program has three basic parts:

--R&D and engineering-development work,

--Design-engineering and technical activities,

--Production, complete deliveries of systems and the necessary service.

The first part above includes concepts for the development of robotized complexes, flexible production systems and their controls, including unification and standardization, the development of a system of R&D information and for resolving patent rights issues. A second aspect of cooperation focuses on the development of prototype designs for flexible automated systems for machining and forming applications, including some equipment for workpiece manipulation and the development of flexible production systems for welding, surface treatment and automated assembly. The production itself of prototypes and test runs of machines, equipment and production systems developed in the association constitutes the third phase of the program, and encompasses also delivery and service issues.

In the intergovernmental agreement that has been signed the CSSR and the USSR commit themselves to developing all the necessary material, financial and other conditions as specified in detail in special sections of the relevant annual and 5-year plans of both countries. The association "ROBOT" occupies an important position in this regard because its framework can be used to bring together all of the most important components of the capital replacement process in this progressive field.

The fulfillment of the program, the operative resolution of basic questions of cooperation in definite fields, and other related issues are under the authority of the Council of Delegates, which is composed of representatives of the pertinent agencies of both contracting parties. For the CSSR the head of this agency is the representative of the State Commission for R&D and Investment Development, while the Soviet side is headed by the representative of the State Committee of the USSR for R&D. Each representative has a single vote on the Council of Delegates. The main tasks of this agency include the following:

--The discussion and resolution of economic, technical, organizational, legal and other issues related to the implementation of the agreement and the program and which require decisions by the relevant agencies in the CSSR and the USSR;

--Specifying the program in necessary instances that do not concern the basic objectives of cooperation;

--The evaluation of information from representatives of agencies and organizations responsible for program fulfillment and the commitments contained in the agreement;

--The preparation of recommendations regarding the establishment of direct relations among enterprises and organizations of the contracting parties within the context of the agreed upon program;

--The discussion of other important issues related to the fulfillment of the program.

The Council of Delegates meets as necessary, but at least once a year, with meetings alternating on the territory of each of the contracting countries. Council resolutions are binding upon ratification by the agencies of the CSSR and the USSR and take effect upon the signing of a protocol of a plenum of the Council, as long as the resolution does not specify otherwise. During the time between plenums the Council of Delegates may resolve individual problems in working sessions upon agreement of the representatives of both countries.

The individual members of the association are appointed by the proper agencies of the CSSR and the USSR. The Czech side is represented by organizations from the Federal Ministry of General Engineering [FMVS] (Presov Research Institute of the Metals Industry [VUKOV], the Prague Factories for Engineering Machinery [TST] economic production unit, the Martin Heavy Engineering Plants [ZTS] economic production unit, and the Bratislava Strojsmalt economic production unit), the Federal Ministry of Metallurgy and Heavy Engineering [FMHTS] (the Brno CHEPOS economic production unit, the Ostrava Vitkovice VHJ) and the Federal Ministry of the Electrotechnical Industry [FMEP] (the Prague Automation and Computer Technology Plants [ZAVT] VHJ, the Prague High-Voltage Electrical Engineering Plants [ZSE] VHJ, the Prague Tesla--Investment Electronics VHJ, and the Nove Mesto nad Vahom Research Institute of Mechanization and Automation). These members of the "ROBOT" association contribute to its activities in agreed upon facilities. The participation is also assumed of facilities of the Czechoslovak Academy of Sciences [CSAV] and the Slovak Academy of Sciences [SAV] and of the Ministries of Education of the CSR and SSR in the R&D work for specific systems. The State Commission for R&D and

Investment Development oversees the running of the committee of the association, and the link between the association and the Czechoslovak national economic plan is handled by the State Planning Commission.

This year 120 employees will be active in the international R&D association "ROBOT" approximately one-third of which will be from the USSR. The association can set up branch offices and staffs in the CSSR and the USSR after agreements with the appropriate agencies in each country. The possibility also exists of setting up such branches on the territory of third countries in accordance with the legal requirements of the host countries, with association branches being legal entities of the countries where they are located, with the exception of the CSSR, where representative offices are not accorded such legal status. "ROBOT" has offices in Moscow and in Prague. Details of the organizational structure and chain of command are provided in Figure 1.

Management System

Khozraschot is the basic principle of management of the international R&D association "ROBOT." When it was founded this association was granted a statutory fund in the amount of 10 million convertible rubles. If necessary this fund may be increased by 50 percent of this amount by a decision of the Council of Delegates. The CSSR and USSR contribute equally to this fund. If the revenues from the economic activities of "ROBOT" do not cover its expenditures the members of the association will replace the resources that are lacking in the form of supplementary contributions in accordance with the principles for the formation of the statutory fund. The amount of these contributions will be fixed by the appropriate financial plans.

The output of "ROBOT" is determined in accordance with the annual plans for its major tasks. At the beginning administrative, R&D and design activities should predominate, which means that production will gather speed only in later years. In the area of R&D the contributions of cooperation will be evident mainly in savings on engineering work on the basis of greater unification and an overlap of about 30 percent in the stages of R&D. Another important contribution is the concentration of problem solving expertise for the jointly developed modules of industrial robots and manipulators, which allows a shortening of the research-development cycle by 18-24 months. Also important are the planned savings once production gets under way. These should be very evident in the pertinent financial indicators (output, profits). Another potentially positive factor in this regard is a higher differential indicator achieved on the basis of comprehensive deliveries of robotized equipment complexes. According to plan projections by the end of the Eighth 5-Year Plan the association should be generating about Kcs 400 million of revenues.

The unification and standardization of parts, components and modules at the same time makes possible the aggregation of production along with the utilization of advanced production technologies, increased labor productivity, cost reductions on the order of 20-40 percent, and an increase in technico-economic sophistication, all of which will be evident in higher quality and reliability of the pertinent systems. In terms of users, costs on engineering and design preparations should be reduced by about 75 percent, which in the near future will amount to savings of about Kcs 150 million.

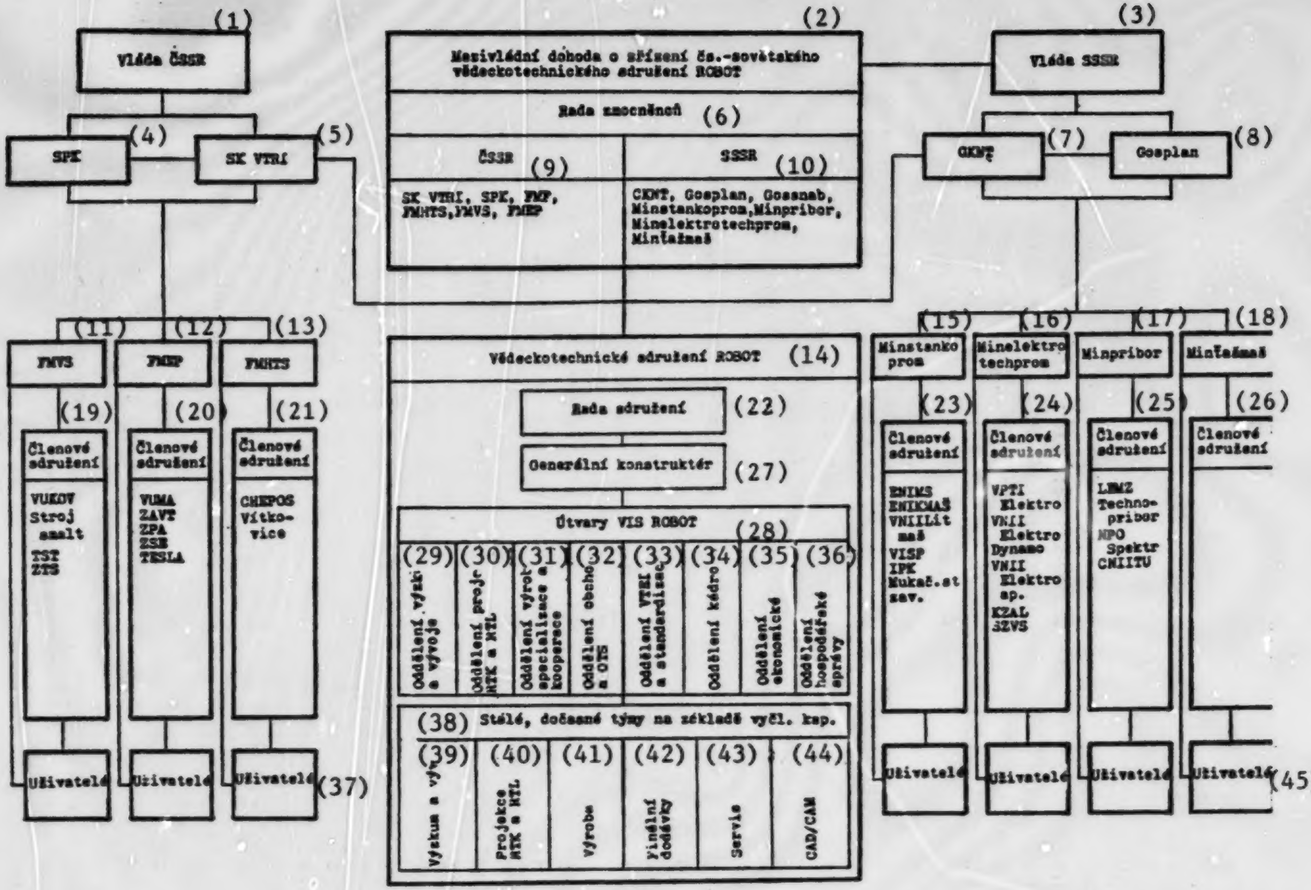
(1) Vláda ČSSR
(2) Mezivládní dohoda o zřízení čs.-sovětského vědeckotechnického sdružení ROBOT
(3) Vláda SSSR
(4) SPK
(5) SK VTRI
(6) Rada zmocněnců
(7) GKNT
(8) Gosplan
(9) ČSSR
SK VTRI, SPK, FMP, FMHTS, FMVS, FMEP
(10) SSSR
GKNT, Gosplan, Gossnab, Minstankoprom, Minpribor, Minelektrotechprom, Mintažmaš
(11) FMVS
(12) FMEP
(13) FMHTS
(14) Vědeckotechnické sdružení ROBOT
(15) Minstanko prom
(16) Minelektro techprom
(17) Minpribor
(18) Mintažmaš
(19) Členové sdružení
VUKOV
Stroj smalt
TST
ZTS
(20) Členové sdružení
VUMA
ZAVT
ZPA
ZSE
TESLA
(21) Členové sdružení
CHEPOS
Vítkovice
(22) Rada sdružení
(23) Členové sdružení
ENIMS
ENIKMAŠ
VNIILit maš
VISP
IPK
Mukač.st zav.
(24) Členové sdružení
VPTI Elektro
VNII Elektro Dynamo
VNII Elektro ap.
KZAL
SZVS
(25) Členové sdružení
LEMZ
Techno-pribor
NPO Spektr
CNIITU
(26) Členové sdružení
(27) Generální konstruktér
(28) Útvary VIS ROBOT
(29) Oddělení výzk. a vývoje
(30) Oddělení proj. MTK a MTL
(31) Oddělení výrob. specializace a kooperace
(32) Oddělení obch. a OTS
(33) Oddělení VTRI a standardizac.
(34) Oddělení kádrů
(35) Oddělení ekonomické
(36) Oddělení hospodářské správy
(37) Uživatelé
(38) Stálé, dočasné týmy na základě vyčl. kap.
(39) Výzkum a výv.
(40) Projekce MTK a MTL
(41) Výroba
(42) Finální dodávky
(43) Servis
(44) CAD/CAM
(45) Uživatelé

Figure 1. Organization Chart for Association "ROBOT"

[Key on following page]

Key:

1. CSSR Government
2. Intergovernmental Agreement on Establishment of Czechoslovak-Soviet R&D Association "ROBOT"
3. USSR Government
4. State Planning Commission
5. State Commission on R&D and Investment Development
6. Council of Delegates
7. State R&D Commission
8. Gosplan
9. CSSR: State Commission on R&D and Investment Development; State Planning Commission; Federal Ministry of Finance; Federal Ministry of Metallurgy and Heavy Engineering; Federal Ministry of General Engineering; Federal Ministry of Electrotechnical Industry
10. USSR: State R&D Commission; Gosplan; State Commission for Material-Technical Supply; State Commission on the Machine-Tool and Instrumentation Industries; Ministry of Instrument Engineering, Automation Equipment and Control Systems; Ministry of the Electrotechnical Industry; Ministry of Heavy Engineering
11. Federal Ministry of General Engineering
12. Federal Ministry of Electrotechnical Industry
13. Federal Ministry of Metallurgy and Heavy Engineering
14. R&D Association "ROBOT"
15. Ministry of the Machine Tool and Instrumentation Industries
16. Ministry of the Electrotechnical Industry
17. Ministry of Instrument Engineering, Automation Equipment and Control Systems
18. Ministry of Heavy Engineering
19. Association members: Research Institute of the Metals Industry; Strojsmalt; Factories for Engineering Machinery; Heavy Engineering Works
20. Association members: Research Institute on Mechanization and Automation; Automation and Computer Technology Plants; Industrial Automation Factories; High Voltage Engineering Plants; Tesla
21. Association members: CHEPOS; Vitkovice
22. Association council
23. Association members: Metal Cutting Machine Research Institute; Research Institute on Forge Pressing Machine Tools; All-Union Research Institute for Casting Machinery, Casting Technology and the Automated Casting Industry; All-Union Institute of the Welding Industry; Qualifications Upgrading Institute [IPK]; Mukach. st. zav. [not further identified]
24. Association members: All-Union Design Engineering Institute for Electrotechnical Industry Technology; All-Union Electrical Engineering Research Institute; Dynamo; All-Union Research and Design Engineering Institute for Automated Electric Drives in Industry, Agriculture and Transportation; KZAL [not further identified]; SZVS [not further identified]

25. Association members: Leningrad Electromechanical Plant; Technical Instrumentation; Spektr Scientific-Production Association; Central Research Institute and Design-Technical Institute for the Organization and Technology of Control
26. Association members
27. General Engineer
28. Divisions of "ROBOT" R&D Association
29. R&D Division
30. Design Division for Robotized Equipment Complexes and RTL [not further identified]
31. Production Specialization and Cooperation Division
32. Trade and Commercial-Technical Relations Division
33. Division for Scientific, Technical and Economic Information and Standardization
34. Personnel Division
35. Economic Division
36. Management Division
37. Users
38. Permanent and temporary teams based on allocated facilities
39. R&D
40. Design of robotized equipment complexes and RTL
41. Production
42. Delivery
43. Service
44. CAD/CAM
45. User

An optimized and more efficient structure for robotics complexes is being achieved by standardizing the equipment used for operational manipulation and its modules. This should result in a reduction of one-time costs at the design stage that will carry over to implementation as well. The standardization of designs and equipment for operational manipulation should allow a reduction of one-time costs of 10-30 percent, and thereby to a corresponding increase in efficiency and increased sales to end users. The installation of robotized equipment results in relative savings of 1.5 to 3 employees per installation of industrial robot and manipulator and in other cost savings. It is anticipated that total savings from the work of "ROBOT" should amount to more than Kcs 800 million between 1985-1990.

It must also be expected that the direct activities of the association will have a positive impact on the development of cooperative production and specialization in related sectors and thereby contribute to an increase in the volume of foreign trade. The specific consequences in this area will become evident after clarifying pricing issues and the levels of the pertinent deliveries. "ROBOT" has been empowered to engage in foreign trade related to the work specified in the program. Foreign trade relationships with Soviet organizations are implemented through the foreign trade organization "Vneshtekhnika," and those with other countries in accordance with the legal codes of those countries.

Accounting for materials, raw materials, other items and services performed for the actual production-managerial functioning of the association and its branches by organizations in the CSSR or in other countries where the branches are located is made in korunas or in the national currency of the location of the branch in question. Accounting for deliveries of goods from the USSR is made in convertible rubles and in prices established in accordance with the principles of price formation applicable to trade among CEMA member countries.

Amounts in convertible rubles and hard currencies obtained by the association from the sale of the output from its R&D, design-engineering and other activities are fully attributable to the foreign currency accounts of "ROBOT" and its branches. A portion of these revenues, in an amount set by the council of the association, may be used to purchase equipment, materials, technical documentation, licenses, know-how, and to cover other expenditures. These foreign currency accounts are to be opened in the country where the branch is located.

Material property imported by members of the association as contributory shipments to the territory of any of the partner countries are free of duty payments, taxes, and transfers. In the CSSR and the USSR the association and its branches are:

--Exempt from duty payments and other limitations on importing or exporting goods designated for "ROBOT" operations;

--Authorized to take advantage of all discounts and advantages offered by pertinent state economic organizations and enterprises.

Until such time as "ROBOT" and its branches in the CSSR and the USSR become profitable, such branches are exempt in the countries of their location from all direct taxes and transfers from profits and payments to both national and local entities, with the exception of payments for public and other services. After it has become profitable, payment of taxes, including taxes on profits of the association, will be clarified by supplementary agreements between the pertinent agencies of the CSSR and the USSR.

Participation in the distribution of profits among the member organizations in "ROBOT" will be proportional to shares in the formation of the initial statutory fund. Profits distributed among the member agencies in the association may be used to procure goods in the CSSR or may be transferred to the USSR. Hard currency revenues remaining in bank accounts at the end of the year will be distributed among "ROBOT" members in equal shares against comparable compensation in transferrable rubles. Profits will be used to subsidize association funds, including in particular the fund for social and cultural requirements, the bonus fund, and the contingency fund.

All conversions related to the administration and economic activities of "ROBOT," its branches and representative offices, from the respective national currencies to convertible rubles and the other way around, will be made on the basis of individual negotiations between the authorized agencies of the countries concerned. The conversion of hard currencies to convertible rubles will be according to exchange rates as regularly set by the International Bank for Economic Cooperation in Moscow.

Conclusion

The establishment of the international R&D association "ROBOT" is one of the first specific cases of the implementation of the resolutions of the executive level economic conference of the CEMA member countries in June 1984. Its experience has shown that the development of direct relationships between interested agencies and organizations of the member countries requires the creation of the necessary preconditions in the national systems of planning and management. In the same vein the task of resolving gradually the complex questions of the merging of all these systems, especially in the area of cooperation in foreign trade, has become correspondingly more important.

In developing the preconditions for the establishment of this association considerable use was made of the experiences already gained in the establishment of previous international economic organizations. Current findings related to recent R&D work in the field of robotics were also analyzed very closely, including the activities of the joint Czechoslovak-Soviet design, engineering and technical office Robot, which is being merged into the newly created association. The example of "ROBOT" confirms that given substantial mutual interest and a concentration of the efforts of all participating countries and entities, it is possible gradually to develop specific forms of direct relations within the framework of the CEMA, with the objective of contributing to the introduction of intensive factors in the economic growth of the participating socialist economies.

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PROBLEMS OF DEVELOPING PERSONNEL FOR ROBOTIZATION PROGRAM VIEWED

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[Article by Docent Eng Zdenek Drab, candidate for doctor of science, Eng Vladimir Pernica, and Docent Eng Zbynek Pitra, candidate for doctor of science: "Training Personnel for Development of Robotization"]

[Text] 1. Introduction

The robotization program for our national economy is an exceptionally complex, extensive, materially and organizationally time-consuming and, above all, politically demanding task in that it gradually--directly and indirectly--has an impact on the lives of all of our citizens. Moreover, it is without precedent in the entire history of automation in this country. So far the actual introduction of robots in specific sectors of the economy (mainly in our key sector--engineering) has been haphazard and unsystematic; this has resulted in slower than projected progress in robotization, low efficiency of those installations that have been made, and in low levels of employee acceptance for this equipment. Experiences from the introduction of robots in other industrially advanced countries show clearly that professional training plays a critical role in the successful introduction of robots.

As part of the long-term program for robotizing our economy the Ministry of Education has been developing, in conjunction with other sectors, a model for the training of skilled blue collar workers, middle rank professional, and field engineering personnel. The objective of this article is to help to clarify this complex issue because of its highly systemic character. One of the main criteria for establishing the numbers and qualifications of personnel (as well as the scope and nature of retraining programs) is the classifications of worksites outfitted with industrial robots and manipulators [PRaM]. These classifications must be systematic. The engineering sector, which is the focal point of the application potential for PRaM, is treated in detail in another part of this article.

A third section is devoted to the design of a model for personnel training to meet the requirements of the robotization of our economy. One of the considerations in the development of this model is to evaluate the current means of training experts for robotization in specific school-based and in-service training programs, as well as evaluating existing conceptions for courses of study and programs that will provide a framework for training in the future. Also important is the question of coordinating personnel preparation in the CSR and SSR among different training institutions (ministries, VHJ and enterprises, the Czechoslovak Science and Technological Society [CSVTS], as well as other public organizations).

Mainly thanks to the mass media robotization is viewed in this country in various contexts and ways. The greatest lack is of an emphasis on close cooperation between robotics and so-called flexible automation, which makes it possible to automate both piece and small run production. That is why a special article has been devoted to this topic.

2. Classification of Worksites Outfitted With PRaM

Current utilization of industrial robots and manipulators [PRaM] is still largely on an experimental basis in the CSSR, despite some successes and a relatively large number of automated equipment workstations [ATP]. When developing the classification of robotized workstations it was necessary to make use of existing information concerning the robotization process that was available in both foreign and domestic literature. There is also the issue of reaching a unified concept of an ATP. For instance, data of the former Federal Ministry of Technical and Investment Development showed that certain sectors reported far more PRaM than ATP, while other sectors reported the same numbers of PRaM and ATP.

The foundation for classifying robotized workstations is the technical classification of PRaM in conjunction with the classification of the given production operation. Technically, it is possible to classify PRaM according to characteristics that differentiate their construction and, therefore, the number of potential uses. The basic modification in the potential uses of a given robot depend mainly on the characteristics of its control system--in this area we have available both relatively rigid, mechanically programmed equipment and relatively flexible, software programmable equipment. When one speaks of robot generations, the main differentiating feature is the sophistication of the control system. The first generation was controlled mainly by mechanical programs, the second generation by digitally programmable equipment or a computer program, while third and higher generation machines are controlled by computer programs as well as being outfitted with sensors for detecting environmental conditions and possessing the ability to adapt to external conditions (and the ability to teach itself).

By their designated use, PRaM represent a higher degree of automation of the capital replacement process leading to further replacement of the more complex and logical functions of humans. Robotization links automated information processing with automated material processing procedures. The link between a production technology and the jobs filled by people are the work operations. The characteristics of these production operations are, in turn, reflected in requirements for specific types of PRaM with specific control systems. The production process consists of material transformations implemented by production operations of the following types:

--Machining and forming which include chip machining, forging, stamping and casting;

--Surface treatments and heat processing, including painting, plating, coating, and heat treatment;

--Assembly, which includes welding, riveting, gluing, press-fitting, hooking up electrical conductors, winding, mechanical assembly;

--Packaging, which includes picking, packing, storing, and crating.

Robotized worksites utilize PRaM to 1) perform production operations automatically and 2) to automate service activities, most frequently the automation of the flow of materials and subassemblies.

2.1. ATP Classification

The classification of ATP types is based on a link between the classification of production activities and the most commonly utilized types of machines at industrial plants. These include chip machine tools (traditional, numerically controlled, computer numerically controlled and direct numerically controlled), presses of all types and designations, forges and casting machinery, atmospheric, pressure, and centrifugal equipment, both point and arc welders, riveting equipment, etc. Also to be included here were the known results of current trends in the development of automated production. Finally, it is necessary to take into consideration socially desirable changes in the content and nature of work that would support the development of the personalities of individual workers. In conjunction with this it is possible to divide ATP into the six basic types described in Table 1.

Table 1. Classification of Robotized Work Stations

ATP-1	A work station with a single machine tool (forming and other types of tools as well) functionally linked with 1-2 PRaM, with the unit controlled by digitally programmed equipment (CPZ) or a computer (program);
ATP-1a	A work station with a single piece of equipment for assembling (welding, wiring, etc.), surface treatment (coating, hardening, etc.), or for packing, with automated material or component handling by 1-2 PRaM. The unit is controlled by a CPZ or computer;
ATP-2	A work station with 2-3 machine (forming) tools and 3-6 servicing robots in a consolidated and flexible production division with automated delivery and movement of material, automated delivery and exchange of tools, and automated control of the resultant product. The unit is controlled by a computer, and possibly by other, local CPZ;
ATP-2a	An automated assembly line (or line for surface treatments, wiring, hardening, packing, etc.) with 3 or more PRaM in either universal or special purpose configuration;

ATP-3	A flexible production division comprised of a set of differing operations performed on materials (machining, forming, welding, riveting, surface treatments, etc.), and in some cases multiple transformations with more than 3 machines for basic functions and five PRaM, with automated delivery and internal movement of materials, tools and the automated control of the final product. The unit is controlled by one or more computers;
ATP-4	An automated production division for operating on materials with more basic function machines and PRaM, with automated material placement, semifinished goods, and component placement, automated assembly of final products, product inspection and testing, and automated packing. The unit is controlled by one or more computers.

2.2. The Work and the Workers at ATP

Automated production demands, in contrast to traditional production operations, the expenditure of labor in a modified form and in different amounts. Studies to date make it possible to state that the following tasks must be performed at robotized work stations equipped with ATP:

1) The setting up, feeding and monitoring of machine operation (machine activities);

2) Tool preparation and preparations for machine operations;

3) Delivery and removal of material (in addition to machine movements);

4) Setting up and monitoring the operations of PRaM and transporting equipment;

5) Writing programs for the machine and PRaM control systems (including program media);

6) Maintenance and debugging of programs;

7) Monitoring electronic control and computing equipment;

8) Monitoring the results of the production process (measuring and testing) and the setting up and programming of automated control equipment;

9) Maintenance and repair of basic machinery (e.g., machine tools);

10) Maintenance and repair of PRaM;

11) Field maintenance and repair of control systems.

Of this set of work activities the final three are only indirectly connected with ATP operation and may be designated as relatively independent; the first eight activities represent servicing work on ATP and are therefore the basis for their specialization. In terms of job qualifications the following suggest themselves:

a) A specialization for each of the above eight activities. This solution is not effective because it would require an unacceptably high number of service workers, complicated professional training, and is in conflict with the objective trends and the long-range social objective of developing the personalities of the workers;

b) A universal employee who would be responsible for all eight activities. This solution, to be sure, appears quite forward looking, but is as a practical matter not implementable on a wide scale within the production base; it should be feasible, on the other hand, in exceptional laboratory or experimental conditions;

c) A broadly trained professional capable of performing a certain number of related tasks (both professional and auxiliary) at ATP. This would require selecting a number of appropriate combinations of tasks from the above set of eight. For example: an operator of NC machines and PRaM could be trained to perform tasks 1, 2, 4, and 8, and a programmer for NC machines and PRaM could be trained to perform tasks 5, 6, and 7.

In the entire set of work activities there remains the auxiliary activity No 3, which may be performed as a supplementary activity by an operator.

2.3. A Model for Classifying Workers for Robotized Work Stations

Experiences to date with the introduction and utilization of PRaM indicate that the setting up of individual work stations with PRaM does not as a rule lead to a substantial increase in the quality of the production process or to more favorable economic results. For the same reason, ATP with a single PRaM and a single machine tool (ATP-1 in our classification) do not represent a typical work site, but rather an exceptional work site, more frequently an experimental or testing station. For this type of work site it is necessary to set up organizational and qualificational guidelines as well as wage scales on a case by case basis, with a tendency toward approximating the conditions of research facilities.

We will instead consider ATP-2 type facilities to be typical and have set up a list of job descriptions for one, shown in Table 2. This job list assumes that there are two basic (e.g., machine) tools. In Table 3 the list for ATP-3 has an additional operator for each additional basic machine; as an example of a more complex ATP, take 6 basic machines and 10 PRaM. This will require a minimum of 7 + 4 + 12 = 27 employees, 8 of whom will need a college and 19 of whom will need a secondary professional education, as in Table 4.

This proposed model is based on existing mechanisms for an economic evaluation of work. Such an approach is essential at the current level of robotization, which may be characterized as a traditional phase. The model for the staffing of ATP and the economic relationships expressed in the job descriptions and wage scales take into account both the statistically determined average blue collar wage in Czechoslovakia as well as the current economic situation.

Table 2. Job Categories for ATP-2 and ATP-2a

Job No.	Description and No.		Education	Experience	Wage category/ Wage scale
1	Machine operator	2	Secondary professional with diploma	2 years or more	D 5-9/.-8
1	Tool operator	1	Same	Same	Same
3	Control operator	1	Same	Same	Same
4	Transport operator	1	Same	Same	Same
5	Operator of insertion/extraction equipment	1	Same	Same	Same
6	Programmer	1	Same	Same	Same
7	Assistant foreman	1	College	Entry	T 10/IIa
8	Foreman	1	College	4 years or more	T 12/IIIc

Total 9 employees, 2 with college degrees, 7 with secondary professional school training and diplomas

Table 3. Job Categories for ATP-3

Job No.	Description and No.		Education	Experience	Wage category/ Wage scale
1	Controller	1	Secondary professional with diploma	4 or more years	D 5-9/6-8
2	Basic machine and PRaM technician	1	5-year diploma	4 years	Same
3	Computer system technician	1	Same	Same	Same
4	Systems programmer	1	College	4 or more years	T 12/IIIc
5	Assistant foreman	1	College	None	T 10/IIa
6	Foreman	1	College	5 or more years	T 13/IIIc

Total for 4 basic machines: 15 employees, 3 with college, 12 with secondary professional with diploma

Table 4. Job Categories for ATP-4

Job No.	Description and No.		Education	Experience	Wage category/ Wage scale
1	Technology manager	1	College	4 or more years	T 12/IV
2	Technologist (as needed and based on number of technologies)	1 or more	Secondary professional	4 or more years	D 6-9/7-9
3	Assembly foreman	1	College	Same	T 12/IV
4	Assembly technologist	1 or more	Secondary professional	Same	D -9/7-9
5	Chief controller	1	College	Same	T 12/IV
6	Machine technician	1	Secondary professional	Same	D 6-9/7-9
7	PRaM technician	1	Same	Same	D 6-9/7-9
8	Computer technician	1	College	Same	T 12/IV
9	Planner	1	Secondary professional	Same	T 10/IV
10	System programmer	1	College	Same	T 14/IV
11	Assistant foreman	1	Same	None	T 10/IIa
12	Co-foreman	1 or more	Same	4 or more years	T 13/IV
13	Foreman	1	Same	6 or more years	T 15/IV

In the immediate future we will not have available enough individuals with a secondary professional or college education to fill the positions of foremen. For this reason considerable latitude exists for the choice of wage scales. We can get through this transitional phase with the resources available at each workplace while at the same time creating the opportunity for fairly evaluating the experiences and abilities of those blue collar workers who have been working for a long time at these facilities and who will in the future be staffing ATP.

The model is currently plagued by a number of shortcomings in the current wage system. It may be expected that the automation of consolidated production divisions needed to facilitate robotization will bring with it some new problems. These problems will be evident in worker relations and it is almost impossible to reflect them in wage regulations. Furthermore the impact on the system of individual workers is immediate and has a more profound effect on the performance and duties of a given production division. The economic relationships between the workers in a given ATP as expressed by their wage rates is a very approximate model, the adjustment of which is most feasible within each given ATP.

The ATP is charged with developing an appropriate technical base for implementing team forms of work organization and compensation. The ATP staff, particularly the foremen grouped as a team, can resolve many of the problems involved in the uninterrupted operation of ATP and assist in the correct evaluation of the contribution of each and every worker to overall performance. The relatively high educational level for ATP staff that is presupposed in this model holds the promise for further democratizing management, for facilitating work-related and other worker initiatives, and for the participation of everyone in management. We consider the model to be appropriate for our current situation at the level of the production base. After we have achieved the level of robotization projected by the Eighth 5-Year Plan and our long-range program, and when we will also have available more graduates from training schools with diplomas, it will be necessary to rethink the model for the period after 1995.

3. Staff Training Model for Robotization

In developing a program for the training of staff for the robotization of our national economy we have followed these principles:

--Staff training for robotization will be conceived of in the broader context of staff training for the automation of our entire economy;

--This training strategy must be directly derived from the strategy for the installation of PRaM and the quantitative and qualitative needs of the completion of comprehensive automation;

--The training program will not be confined strictly to technical subjects but will also incorporate necessary economic and social aspects of automation related to the installation of robots and the presentation of this program to the general public;

--This model will be formed on the basis of the existing structure for school-based and in-service training, meaning that the balance of the training for automation will consist of modifying the content of existing courses at colleges and secondary schools;

--A part of the model will define the peripheral conditions for its realization, especially staffing and material needs (i.e., teacher qualifications for specific aspects of the training, the necessary equipment for laboratories and workshops, coordinating the printing of textbooks, etc.), as well as the clarification of the reasons for introducing robots in specific instances in given sectors of the economy.

3.1. Approach to Model Development

To assure that the necessary staff will be produced to carry out the robotization program we must put the finishing touches to and make fully operational a training system for blue collar, technical, and engineering professions--the objective of this program is to prepare a model for training staff for robotization and propose measures that will facilitate its gradual implementation. This is a complicated set of issues of a systemic character, the resolution of which requires the work of teams. It was therefore necessary to set up a problem solving team composed of the pertinent specialists, establish work methods and set up a schedule for the completion of this work. Attention was devoted mainly to gaining a consensus of views on an outline of the model which, based on the documentary evidence to be obtained from cooperating institutes, will have to be gradually filled out and made more precise.

3.2. Main Considerations for Establishing Training Model

The main considerations for establishing this model were:

--Time: Stage 1, a transitional period from 1984-1986; stage 2, model implementation between 1986-1990; stage 3, projection for the year 1990;

--Quality: 1) The classification of ATP and automated production systems [AVS] outfitted with PRaM based on their technological objective, their sophistication, size and complexity and the requisite job descriptions for their operation and maintenance. The study, Classification of Worksites Outfitted with PRaM, cited in section 2 was made for this purpose; 2) the means for the selection, training and placement of workers for a) the maintenance and operation of robotized worksites; b) for the organizations involved in the design of robotized workplaces; c) for the research, development, design, preproduction preparations, production, assembly and installation of PRaM and their components; and d) for other workplaces that are involved in robotization (managerial offices, consulting firms, training centers, etc.), including the economic and social aspects of robotization;

--Quantity: This is mainly a matter of the data gained both from the program of installing PRaM in specific sectors and branches of the national economy and from the qualificational requirements set for employees in robotization, as these are set forth in the preceding section (in three areas: ASV and ATP operations; the design of robotized workplaces; the research, development and production of PRaM and their components). Based on these needs for skilled blue collar, technical and engineering employees it is possible, based on an appropriate program of training and education, to establish the requirements for their training based on the time requirements for implementing the PRaM program in our economy. An important part of these requirements is the support and retraining of workers displaced under this program;

--Resources: 1) Qualitative: Lists of graduates of existing or anticipated training programs at secondary professional training centers, secondary professional schools, post-diploma programs, colleges, postgraduate study and scientific training courses given by specific sectoral and enterprise institutes, Czechoslovak Society for Science and Technology courses, and other forms of study (study trips abroad, etc.). 2) Quantitative: This mainly involves counting the trainable professionals by specialization, required level of sophistication and years in existing or projected training facilities, both school and non-school related;

--Comparison of Data and Requirements: A comparison of the quantitative and qualitative aspects of requirements and their attainability makes it possible to propose the necessary measures for implementing the model of a training program for personnel to meet the needs of our economy;

--Economic: This involves the obtaining of at least an approximation of the costs to be incurred in implementing the model and the expected economic and social efficiency of its operation.

3.3. Proposed Model for Training Skilled Blue Collar Workers, Middle Professional and Engineering-Technical Staff To Assure the Robotization Program

The proposed model is based on current conceptions of the incorporation of the CSSR, as an industrially advanced country, in the process of robotization of production techniques. In this regard, the training of specialists for robotization will call upon the expertise of various organizations:

--The training of researchers is best performed at selected CSAV facilities and colleges;

--The training of engineers specializing in robot development, the design of robotized worksites and integrated, computer controlled production (CAD, CAP, CAM, CAT) is best undertaken by the faculties of engineering colleges, and especially by those involved in the training of mechanical and electrotechnical engineers both at the undergraduate and the postgraduate level;

--Employees involved in the design and especially the operation of automated workstations equipped with PRaM are best trained by the end users;

--General training for the introduction of PRaM is the responsibility of the Czechoslovak Scientific and Technical Society, the courses of which offer rapid and effective information for the managerial and engineering-technical employees of those organizations where the building of robotized workstations is planned for the near future;

--For employees involved in service and operations it is expected that most of the training will take place as part of comprehensive deliveries (as is the case with computers) by the suppliers of the PRaM.

3.4. Model for Training Professionals at Professional and Secondary Schools

Current analyses of the system of study programs for the training of youth for blue collar jobs indicates that in the future it will not be necessary to make any basic changes in the nomenclature of these programs. It will be necessary, however, to update the subject matter taught in these programs. It is becoming increasingly important to improve training in the area of automation, robotization, electronics, and computer technology. It has been shown that it is essential that students, especially those from fields in engineering, the electrotechnical, chemical and petrochemical industries, as well as those from most areas of processing industries, master the basic information and findings, as well as obtain practical experience in the application of PRaM, to production processes.

A listing of the measures intended to facilitate the introduction of training in microelectronics, computer technology, and robotics for the training of young people for blue collar occupations is not possible given the constraints on this article. Changes necessitated by R&D in education have all for the most part already been included in curriculums. Background requirements and required courses have been arrived at in close cooperation with those sectors for whom the students are receiving training. In conjunction with the introduction of the subject of robotics into secondary school curricula teachers must be trained as well. Such training can be best provided within the context of the professional-innovational part of the training, the focus of which should be the use of PRaM in production processes.

3.5. Model of Training at Colleges

The pressure to increase productivity and the quality of production is the motivation for the growing attention being paid to the use of automated production equipment, a classification within which industrial manipulators and robots are an increasingly important part. Automation is making continual inroads where there is monotonous work or where work takes place in a hazardous environment. The process of training experts in this newly developing field known as robotics has been undertaken mainly by the engineering department of the Czechoslovak Technical Institute [CVUT] in Prague within the context of the multidisciplinary study, Industrial Manipulators and Robots. This program has already become a part of the curriculum for years 4 and 5--this curriculum is listed in Table 5. The objective of the program is to train engineer-specialists in the area of PRaM with the emphasis on design and operation. The study emphasizes primarily the comprehensiveness of automation, links between individual automated resources, and an optimizing approach to the whole issue. Graduates find jobs in all areas of engineering and non-engineering production, where they work as designers, design engineers and developmental employees for automated production units outfitted with PRaM. At the electrotechnical department of the CVUT in Prague a concentration called Robotics has been introduced within the curriculum Technical Cybernetics. There is a similar major at the electrotechnical department of the VUT in Brno. At the engineering department of the Technical College in Kosice there is an interdisciplinary program called Robotics Technology that concentrates mainly on the design of automated production systems with PRaM.

A further step is providing for training in automation in the remaining and related fields. Automating production in turn has an impact on the preproduction phase, which must also have at its disposal properly qualified personnel. The structure and workings of produced parts and entire systems must also be subordinated to production automation. With this in mind it is necessary to augment curricula in basic programs, and in some specialized ones as well, with the following courses: 1) the automation and robotization of technical procedures; 2) design techniques related to automated production; 3) engineering techniques related to automated production; 4) techniques for automated production; 5) organization and economics of automated production.

Table 5. Interdisciplinary College Curriculum for PRaM

	Winter semester	Summer semester
Year 4		
Scientific communism	1+2 z	1+2 z, zk
Construction of production machines	4+1 z, zk	4+0 zk
Mechanizing and automating production machines	4+0 zk	2+0 zk
Pneumatic and hydraulic mechanisms	3+1 z, zk	--
Electric measurement of nonelectric magnitudes	1+2 zk	--
Construction techniques and hands-on construction training	2+6 kz	0+6 kz
Special techniques	2+1 z, zk	--
Mechanical manipulating equipment	--	3+2 z, zk
Theory of automated machines	--	3+1 z, zk
Laboratory work with mechanisms	--	0+4 z
Fundamentals of computer technology	--	1+1 z
Field trip	--	1 week
Total number of hours weekly	17+13	14+16
Number of exams	4	5
Military training	6 hours	6 hours
Year 5		
Servomechanisms	2+1 z, zk	--
Automated management systems	3+0 z, zk	--
Production systems for large-scale production and assembly	4+1 z, zk	--
Electrotechnical production equipment	3+2 z, zk	--
Design training	0+4 kz	--
Lab work with control systems	0+4 z	--
Industrial handlers and robots	4+0 zk	2+0 zk
Computer managed engineering output	2+0 z	2+5 z, zk
Mathematical-logical modelling	--	2+1 z, zk
Electronics	--	3+2 z, zk
Design and installation of automated system with robot	--	2+1 z, zk
Final design	--	0+10 kz
Total hours per week	18+12	11+19
Number of examinations	5	5

Subjects of final state examinations:

1. Marxism-Leninism
2. Mechanics
3. Mechanization and automation of production machinery
4. Fundamentals of construction of production machinery

No less important is the role of the colleges in increasing the qualifications of current employees or retraining people from other fields. To further this objective a postgraduate curriculum has been introduced entitled "Industrial Manipulators and Robots," the courses for which are listed in Table 6. At the same time it is essential to pay increased attention to the coordination of individual offerings of postgraduate courses with the latest findings of R&D and practical experience. In conjunction with this hands-on approach to postgraduate training it is essential to provide all necessary preconditions so that enough such courses may be organized to fill planned requirements for experts in these areas. The program is completed with an independent project related both to problem solving for PRaM, but also entire robotized worksites.

Table 6. Curriculum for Postgraduate Course in PRaM

	Lecture	Concentration
Social science subject	10	
Mechanization and automation of production processes	16	
Engineering fundamentals of production machines at automated worksites (production and assembly lines, etc.)	16	
Automated production techniques	16	
Engineering of manipulators and industrial robots	24	
Operation of manipulators and industrial robots	16	
Hydraulic and pneumatic mechanisms	12	
Servomechanisms	12	4
Electrotechnical fundamentals for handling equipment	12	
Theory of automated machinery	10	4
Mathematical-logical modelling	10	4
Fundamentals of automated control	16	
Design methodology for automated production equipment using manipulators and robots	8	5
Laboratory work and concentration	60	5
Final project	160	

Total classroom hours: 275
Final project: 160

3.6. Other Forms of Personnel Training

In addition to both types of college programs--undergraduate and postgraduate--it is also necessary to support those college teachers who handle the training of groups of workers within the context of the Czechoslovak Scientific and Technical Society and at enterprise or sectoral institutions. This is normally a matter of specialized courses and seminars designed for technical employees with a secondary level or college education and who are dealing with the issues of production automation within their own enterprises. The objective of these programs is the upgrading of knowledge in the field of robotics, primarily from the viewpoint of the operation of handling equipment and the engineering of single purpose manipulators and auxiliary manipulating equipment adapted to a given application. Such courses are usually organized to cover two semesters with a required final project. Training in Slovakia for engineers and technicians and the upgrading of their skills proceeds in the same manner as in the Czech lands. Basic information about robotics, its objectives, potential and limitations is provided in varying, usually 5-day courses offered at training centers of the Technology Houses of the Czechoslovak Scientific and Technical Society.

3.7. Potential for Applying "Module Approach" to Training of Experts for the Robotization of Our Economy

The application of a "module principle" is based on the utilization of a systemic approach and takes account both of the comprehensive nature of robotization and its rapid pace of innovation. It also takes account of the actual conditions and potential for staffing and material preparedness of our colleges to train personnel in the field of robotics (the author of this module approach is Prof Eng J. Buda, doctor of science, dean of the engineering department at the Kosice Technical College). The field of robotization, under this approach, is divided into about 80 study modules, with each module taking about 10-20 hours to complete (lectures, exercises, laboratory exercises, and semester projects). In addition these modules are classified as 1) basic (general definitions, classifications, origins, developmental trends, etc.), 2) universal (possibility for use in curricula for teaching innovation), and 3) special (designated for specific specialities depending on the position of the graduate). An overview of the proposed organization of the modules is presented in Table 7. Based on this module approach it is possible to develop a highly flexible and efficient system for training experts in robotization at different levels, as shown in Table 8.

Table 7. Proposed Grouping of Thematic Units for Module Teaching of Robotics (Z--basic; U--universal; S--special)

1. Theoretical Basis

1.	Discrete mathematics	Z
2.	Mathematical programming	U
3.	Algorithm and resolution theory	U
4.	Heuristic methods	U
5.	Systemology	Z
6.	Theory of hierarchic systems	U
7.	Information theory	U
8.	Information structures	U
9.	Modelling theory	U
10.	Character models and formal languages	U
11.	Regulation theory	U
12.	Automated control theory	U
13.	Theory of final automated machines	U
14.	Computer graphics	U
15.	Bionics and cybernetics	Z
16.	Fundamentals of artificial intelligence	Z
17.	Pattern recognition	U

18.	Activity planning	U
19.	Expert systems	S
20.	Communication in normal speech	S

2. Elements for Building Robotic Equipment

1.	Component basis for robotics	Z
2.	Basic electronic components	U
3.	Converters	U
4.	Optoelectronic components	U
5.	Memories	U
6.	Microprocessors and complementors for microcomputers	U
7.	Power supplies, cross-connecting leads, intakes	S
8.	Visual and tactile sensors	U
9.	Technical sensors	U
10.	Electric motors	U
11.	Pneumatic motors and components	U
12.	Hydraulic motors and components	U
13.	Servomechanism components (metering, transducers and control circuits)	U
14.	Servomechanisms	U
15.	Mechanical converters, wiring, bearings	U
16.	Dynamic and kinematic mechanism synthesis	S
17.	Kinetic joints and robotic equipment modules	U
18.	Control circuit design	S
19.	Servomechanism design	S
20.	Kinetic joint design	S

3. Components for Robotic Systems

1.	Control technology for robotization	Z
2.	Microcomputers	Z
3.	Control computers	Z
4.	Computer systems and networks	U
5.	Internal memories	U
6.	Communications and imaging equipment	U
7.	Control systems for robits	U
8.	Control systems for production machines	U
9.	Sensor subsystems	U
10.	Autonomous control complexes	U
11.	Multiprocessor control complexes	S
12.	Hierarchic control complexes	S
13.	Robotics technology	Z
14.	Manipulators	U
15.	Industrial robots	U
16.	Intelligent robots	U
17.	Mobile and special robots	S
18.	Robot effectors and related equipment	U
19.	Peripheral equipment for robotic systems	U
20.	Transportation and warehousing equipment	U
21.	NC production machines for robotics	Z

22.	Control and measurement systems	U
23.	Design equipment for robotic systems	S
24.	Robot and manipulator design	S
25.	Peripheral equipment design	S

4. Programming

1.	Program typology for robotics	Z
2.	Machine languages, assemblers and macroassemblers	U
3.	Universal programming languages	U
4.	Languages for production machines and measurement equipment	U
5.	Simulation languages and systems	U
6.	CAD system programming	S
7.	Languages for industrial robots	U
8.	Artificial intelligence languages	U
9.	Databases	U
10.	Control unit operating systems and processors	S
11.	Operating systems for robotics complexes	S
12.	Diagnostic programs	S
13.	Designing programs for engineering activities	S
14.	Designing programs for control	S
15.	Program testing	S

5. Design and Operation of Robotics Systems

1.	Typology of robotics technology	Z
2.	Design methodology	S
3.	Design documentation	S
4.	Analysis of workpieces and production conditions	U, S
5.	Technology for robotics systems	U, S
6.	Selecting production resources for robotics systems	U, S
7.	Robotics modules	U, S
8.	Robotics cells	U, S
9.	Robotics systems and lines	U, S
10.	Integrated production and fully automated plants	U
11.	CAD, CAM, CAE synthesis	U
12.	Human factor in robotics	U
13.	Work safety	U
14.	Reliability of robotics systems	U
15.	Electronics for robotics systems	U
16.	Testing robotics systems	S
17.	Operations management and organization	S
18.	Maintenance and upgrading	U
19.	Automated engineering	S
20.	Automated design	S

Table 8. Model of Modular Structure for Training Experts in Robotization
Z = basic modules; U = universal modules; S = special modules

Level	Fields of study	Subject classification	Innovative subjects	Robotics modules
1.	For all engineering fields	Basics of robotics - 5 modules (Z)	1-5 modules (Z, U)	5-10
2.	Fields of study in main applications of robotics (such as nonspecialized engineering techniques), Economics and management	Basics of robotics 5 modules (Z)	5-15 modules (U)	10-20
3.	Developing new disciplines, such as: operating robotics systems-automated management systems in robotics	Approx. 4 new subjects from basic, universal and special modules 15-25 (Z, U, S)	5-15 modules (U)	20-40
4.	Development of new fields of study 1. Robotics technology and integrated production 2. Robotics equipment 3. Control of robotics systems	Selection and grouping of about 80 modules: 60 of type Z and U, 20 of type S		about 80

4. Conclusion

The Eighth CPCZ Central Committee Plenum, held on 15 and 16 June 1983, set forth the main objectives of R&D for our national economy and, among other things, provided for a concentration of effort as well on the "development and utilization of industrial robots and manipulators and their broad application in the interest of reducing work, especially physically exhausting work and work in unhealthy environments." The fulfillment of these tasks is closely connected with the further development of comprehensive automation in all branches of the national economy. The necessary material and technical preconditions for this development are gradually being put in place, not only within the context of our economy, but also in terms of coordinated efforts by all the CEMA countries. In this regard it is appropriate to point out that the leaders of the CEMA in this regard are the USSR and GDR, with the development of comprehensive automation in the CSSR lagging somewhat behind. Among other reasons this state of affairs has resulted from a lack of trained personnel, who are essential for the successful implementation of this process.

Development trends of comprehensive automation and robotization of production processes involve demands on people that take the specific forms of the tasks of designer of an automated production system with PRaM, as well as in the task of the operators and users of this system. The fulfillment of both above-mentioned tasks requires from these individuals completely new knowledge and skills, different from those involved in the design and operation of other systems.

For this reason personnel must be specially trained to fulfill these objectives in a targeted, newly created system of personnel training which must include not only the training of new experts within the school system, but also a system for upgrading qualifications (and retraining) workers already in the field.

9276/6091
CSO: 2400/149

BANKERS, ENTERPRISE OFFICIALS DISCUSS CREDIT POLICY

Warsaw ZYCIE GOSPODARCZE in Polish No 1, 5 Jan 86 p 5

[Article by Marzena Kowalska: "Policy of Available Credit"]

[Text] The invitation to a discussion on the draft plans of documents that regulate the functioning of banks; i.e., on the main directions of credit policy and instructions for 1986, organized by Prof W. Baka, the recently appointed president of NBP, may be interpreted as having a specific relevance to the tradition of meetings between the government plenipotentiary for economic reform and consulting enterprise representatives. The group of enterprises is, to be sure, not as large since it is made up of 50 units and not 100. A part of these 50 enterprises are making their debut in the consultative meetings held by Prof Baka. However, "the discussion," stated its initiator in his conclusion, "turned out to be productive."

The bank-enterprise relationship is not, as we all know, the best. We hear talk about the excessive interference of banks in the internal affairs of the financial management of enterprises. Opinions on the functioning of the principle of "difficult money" are also varied.

On quite a few occasions, someone from among the consultants engaged in discussion in the columned hall of the URM [Office of the Council of Ministers] would complain about the shortcomings in the functioning of the bank apparatus and gaps in the substantive preparation. Similar, although somewhat weaker reservations were also voiced at the inaugural session of consultative enterprise representatives at which the NBP president presided. The bankers did not remain silent. In their opinion, excessive paternalism and the meanders associated with this in the financial management of enterprises relieve their clients of the burden of concern for self-financing which often expresses itself in an indifferent attitude toward bank recommendations. However, the discussion was not dominated by mutual complaints but attention was concentrated on seeking out the kinds of solutions that would facilitate the shaping of a partnership-like model of bank-enterprise relations.

The bank, which up to now has willingly and most frequently been treated as a savings institution, must finally become "the executor of efficiency," stated Prof Baka who opened the discussion. According to the NBP president this motto should entail the following principles: support for efficient enterprises, assistance in overcoming difficulties offered to active enterprises and the consistent elimination of inefficient units. The team for financially threatened enterprises, which has been active for only a short period of time and which controls the current state of candidates for bankruptcy, is to further this end.

However, such an institutional solution cannot replace a smoothly running bank apparatus, the coordination of sources of enterprise funding or properly formed relations between banks and state administration agencies. Particularly, this latter sphere, which has been ensnared in a web of informal relationships strengthened over the years, hinders, in the opinion of bankers, the establishment of partnership-like cooperation between operational departments and enterprises whereas the relationships which come into play here preclude the efficiency of the entire bank system.

The basic assumptions of both documents were presented by the NBP vice-president, L. Urbanowicz, who stressed that the most important direction of credit policy of the upcoming period will be the principle "credit--yes; tax relief--no", which in his opinion is the road to improved efficiency. The translation of this principle into a language of practice is supposed to signify easier access to developmental credit, credit for investments, interim and payment credit, and greater freedom in the enterprise management of funds. Among other things, a more flexible attitude toward the matter of so-called financial loose spots, whose appearance until recently automatically meant the reduction of credit allotted to an enterprise, is being envisaged. The new regulations are to eliminate this volatile point from bank-enterprise relations.

The requirements presented by banks with regard to an enterprise's own participation in financing operations are also proposed to be lower or rather more flexible. However, it was stressed frequently and emphatically that this does not signify the liberalization of credit policy. The credit plan does not foresee an abundance of funds--quite the contrary. A deficit of approximately 140 billion zlotys is assumed, "which," declared Prof Baka, "will not mean running away from crediting totally but should compel the channeling of funds there where their use may bring the greatest economic and efficiency results."

In general, the presented draft plans were met with a favorable assessment by both the enterprises and the bankers from regional departments. Praise was given to those solutions which would give preferential treatment to efficient enterprises. In the "Guidelines" draft plan, the promotion of developmental undertakings, which would enable production growth, especially export production growth, and the ushering in of technical progress and economizing measures is advocated. Increased credit amounts for enterprise investments, above all, for renewal and modernizing investments were also projected. More developmental credit and the extension of its repayment to 5 years is envisaged. These types of credit are to play a larger role than had been the case until now in promoting efficient undertakings. The credit amount will be connected to the growth of reserve funds arising from the expansion of enterprise activity and from price increases, and also to an enterprise's own funds.

A great deal of emphasis was placed on the prompt repayment of converted credit with the greater involvement of an enterprise's own funds. It is also assumed that credit for continuing needs should be systematically reduced depending on an enterprise's wealth in the developmental fund. Greater flexibility in approving credit for debts was projected. The possibility of granting this credit for periods longer than has been the case until now--even for as long as 1 year--is not being ruled out. This received the approval of both bankers and bank clients. It was not concealed that, in effect, this is the most sensitive instrument of exerting influence on an enterprise.

The "Guidelines" also envisage the granting of temporary credit assistance to efficiently run enterprises for the financing of needs arising from the necessity of accumulating short-term and economically substantiated reserves which cannot be financed with the already granted credit.

In sum, eight types of credit are to be accorded for operational activity. This number was accepted without any particular approval but rather as a necessary evil, rightly fearing greater work intensiveness both in NBP departments and in the enterprises themselves.

The formula, that bank credit in the field of investments should be used as an instrument of actively exerting influence on the structure and modernity of production and services while upholding as the main principle that credit can be granted up to 80 percent of the cost estimate value of an investment while the crediting period should not exceed 10 years, did not raise reservations. The credit amount, credit periods and also--according to some--the credit cost in the form of the interest rate should be differentiated depending on an enterprise's specific situation, the nature of the investment and its purpose.

Vice-president Urbanowicz stressed emphatically and frequently that in granting long-range credit assistance to enterprises that have credit ability and work to improve efficiency, operational departments should tighten the criteria for granting credit to inefficient enterprises. Units that have poor credit ability may receive credit on condition, and this should be reflected in the credit agreement, that they assume concrete activity that would bring about improved efficiency.

Approval was expressed for the entry which stated that a condition for the granting by banks of credit assistance to an enterprise threatened with bankruptcy should be, among other things, the maintaining by that enterprise of wage increases within limits which would not produce additional burdens in the form of a tax on above average wage payments as well as forgoing the paying out of rewards and bonuses from profits during the period of implementing the program of placing the enterprise on its feet again.

The comments and doubts that arose on the basis of the presented draft plans were varied in nature. Bank clients looked at things differently than those who will review credit recommendations, although, neither the former nor the latter voiced any substantial reservations.

The consultants, among whom were representatives of industry, small manufacturing businesses, and agricultural trade and services, praised both the greater clarity of the instructions and the guidelines as well as the simplifications in credit availability and, particularly, the possibility of obtaining credit for urgent payments. However, things did not go off without any "buts". This pertains to the reliability and accuracy of the assessment of the financial situation of an enterprise.

It was argued that the lame system of prices causes certain objectively justified undertakings presented in figures to appear inefficient. Profitability, treated by bankers as a symptom of current and prospective credit ability, takes on a deceptive appearance, especially there where rigid prices are binding. It was also not held back that despite simplifications in the availability of credit, the necessity of repayment from the developmental fund will continue to deter prospective clients. The state of the developmental fund under conditions of the instability of economic and financial solutions and the huge greediness of the budget is a big unknown. It was frankly stated that the taking on of credit to be repaid from profits is an act of courage. It is no wonder, therefore, that there are and will not be many of those willing to take such a risk--at least not until fiscal policy will be coordinated with credit policy into a single financial policy.

The term "prospective credit ability" gives rise to a lot of uncertainty. The question remains, "How does one measure it?" This was not the only question of a methodological nature. Many concepts and methods require more precise elaboration and improvement. Prof W. Baka called attention to this in summing up the discussion. This is particularly important at the threshold of the new year which the NBP president called the year of "strengthening the banking system."

The mode and procedure of conduct of banks toward the existing and arising organizational giants was referred as if to a blank spot in bank instructions. There are a lot of conflicts and misunderstandings in this sphere. It could be seen during the discussion that the banker's soul is rebelling in the face of a situation where the credit ability of a unit which is part of a partnership, business concern or some other giant is precluded by the fact that an enterprise as a whole possesses this credit capacity, although, if we take a closer look at the finances of subordinate units, this entire matter is not so unequivocal. These comments convinced the president who in his summation of the discussion announced that this vital issue would be included in the bank instructions. This would clear up the situation of bank departments which currently, in fact, fulfill an ornamental function.

The bankers also came out with the proposal, which was backed by the consultants, that investment credit within the framework of a pool controlled by an overseeing unit be granted to operational departments. In any case, this was one of many postulates of shifting a part of authority from higher rungs to a lower level; i.e., there where cooperation between the bank and the enterprise takes on a realistic shape and the awareness of needs is most complete.

Besides quite specific comments that cannot be considered secondary and which, for example, concern the manner and methods of the clearing of accounts, interest rates and repayment dead-lines, a proposal was voiced most frequently by bankers that greater significance be accorded to the cost of credit (variable interest rate) and to the conditions of repayment. Credit should become a parameter which as a result would better fulfill the motivational function. Credit cost and not its flow should influence the allocation of funds. The NBP president agreed with this viewpoint stating at the same time that under the current financial situation of many enterprises, this is more a proposal for the future than for implementation today.

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CSO: 2600/257

'POLONIA' FIRMS EXPLAIN HARD CURRENCY EXPORT DROP

Warsaw ZYCIE GOSPODARCZE in Polish No 2, 12 Jan 86 p 14

[Article by E.M.: "'Polonia' Firms Want to Export"]

[Text] On 14 December of last year, a meeting was held at the Polania Society headquarters in Warsaw between a group of businessmen of Polish descent, who run enterprises in Poland, and journalists interested in the economic problem. Obviously, the topic of discussion was the activity and growth of "Polonia" firms. In the first phase of the discussion, it would appear that the owners of these firms have no other concerns than what is being written about them in the press. And in their opinion, they are negatively and unfairly presented to the point that it would appear that there is an outright campaign being waged against them. The journalists argued that the criticism was not unsubstantiated and pointed out the generally high prices on goods from "Polonia" firms which do not always reflect equally high quality, the not very ambitious production program, etc. The "Polania" businessmen did not deny that such cases do exist. However, they would not allow themselves to be convinced of the objectivity of the criticism, citing classic examples of the mistaking of the victim of an offense for the perpetrator or thief whereby in this case, the "Polonia" firm was to be of course, the presumed thief. In this atmosphere, a formula presented by the meeting chairman in accordance with the saying, "What was and is not is best forgot"["co bylo, a nie jest--nie pisze sie w rejestr"], turned out to be successful in ending the controversy. This made it possible to move on to discussing more important problems involved in the activity of foreign small business enterprises. Unfortunately, not a very comforting image was formed from the remarks made by the owners of these enterprises.

The export business of 'Polonia' firms, which grew until 1984, began to fall rather drastically. According to information given by Stanislaw Szumski, the assistant secretary general of the Polonia Society, this drop may turn out to be over 50 percent smaller than last year, at which time it amounted to $23 million rising in comparison with 1983 by $7.2 million; i.e., more than 45 percent. The owners of the "Polonia" firms gave as the reason for the decline in their interest in free foreign exchange exports (at the same time, they are implementing increasingly larger deliveries to CEMA countries), the unfavorable changes in the financial conditions of their operations and, in particular, the introduction on 28 July 1983 of the obligation to sell half of their foreign exchange revenues to the state at the official rate of exchange for the zloty. "We do not want a return to the state when exports would balance out imports," they assured. "We want to export and we understand that the state must benefit from this also." However, at the same time they also declared in no uncertain terms that they, too, must make a profit from exports and in no case can they lose on them. Meanwhile, Stanislaw Lewandowski from Sweden, the owner of a furniture manufacturing enterprise and the most eloquent spokesman for the interests of the "Polonia" firms, explained demonstratively that with the currently overly high official rate of exchange for the Zloty, the sale of half of the export revenues at that rate, radically raises the cost of obtaining one dollar. This requires that exports be implemented at $2. If in this case, the cost of one dollar amounts to, for example, 300 zlotys (and that of $2--600 zlotys), then during the sale of one dollar at the official rate, the other dollar costs the exporting firm approximately 450 zlotys. Business becomes all the more problematic if, in addition to this, the firm pays a high commission (10 to 12 percent) to the foreign trade enterprise whereas production requires an import "input" also in free foreign exchange. Therefore, the calculation is fundamentally simple.

Thus, both exporters and potential exporters feel that, first of all, a half is too much (at the most 30 to 35 percent, although, it seems that not everyone would be willing to agree even to this). Secondly, they cannot lose on the exchange rate. The best thing, explained Mr Lewandowski, would be for the rate to be realistic and binding for everyone. However, since this is not the case and since the "Polonia" exporter cannot take advantage of the countervailing account as is the case with socialized enterprises, the exchange rate losses should be somehow compensated, for example, with tax breaks.

The drop in free foreign exchange exports of private enterprises should not come as a shock to anyone, stated their owners. They had already anticipated this at the time of the introduction of the amended rules and regulations and they gave signals of this to the authorities. During the meeting, they also made it very clear that keeping these regulations in force in their current form will lead to the further decline of exports and, consequently, to the decline of incoming foreign exchange into the state treasury by virtue of the compulsory sale. According to the discussion participants, it is possible to find solutions that would generate appropriately large, systematic export growth and an absolute increase in the foreign exchange income of the state with a reduced rate of compulsory sales. In any case, the "Polonia" businessmen feel--as is only fitting for true business people--that only mutually advantageous rules and regulations can be the foundation for any kind of sensible economic activity.

It was also pointed out in the discussion that the legislator did not look into creating any kind of investment incentives without which there can be no talk of expanding production and the export of products of the highest technical caliber. The "Polonia" businessmen are not allowed to finance the purchase of equipment from current export yields; there are no foreign exchange depreciation allowances whatsoever whereas the 10 percent zloty rate is too small. This means that the depreciation of equipment occurs during a period of 10 years whereas modern production requires that this period be reduced to 2 to 3 years. Furthermore, investment incentive rates have also not been incorporated into the tax rules and regulations, treating the profits of an enterprise owner on an equal basis with the part that is set aside for the development of an enterprise. The tax policy of the Ministry of Finance has been accused of excessive fiscal stringency with no room for the creation of conditions for the stable growth of "Polonia" firms. At times, there was an outright tone of a kind of suspicion whether there is not a hidden intent to restrict this growth. In any case, in the eyes of the interested enterprises the situation matured to a serious discussion about state policy toward foreign small business enterprises.

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MISUSE OF ENTERPRISE MOTOR POOL VEHICLES DEPLORED

Bucharest REVISTA ECONOMICA in Romanian No 48, 29 Nov 85 pp 7-8

[Article by Dr Nicolae Antoniu]

[Text] Transportation is a vitally important branch for the national economy, comparable to the "circulatory system" of a living organ, with any defect and imbalance in this mechanism producing shortcomings in all areas of production and consumption and in the development of public life. Taking into account their special importance in society, our party and state have given and are giving great importance to the development and modernization of transportation and to the growth in the economic efficiency of activity in this basic sector of the national economy.

The current stage of intensive development of Romania's entire national economy urgently requires as an objective need the growth in economic efficiency in the branch of transportation, also. At the RCP CC Political Executive Committee meeting in October 1985 it was felt that, although the share of transportation expenses in total material production expenses and in social product has fallen year after year, the Ministry of Transportation and Telecommunications as well as other ministries and economic units with means of transportation have not taken all the measures necessary for this purpose and, for that reason, transportation expenses continue to be high. Proceeding from this fact and from the requirements for firm application of the economic-financial mechanism, the motor vehicle transportation sector also has special tasks with great responsibility, where decisive measures have been established to have substantial reduction in transportation expenses, also taking into account that costs in this subbranch of transportation are much higher than in the other transportation sectors.

The current system for organization and operation of the motor pool was set up years ago (1960), when concentration of the motor pool took place in the big specialized transportation units, marking the limits of the area of action of the general-purpose pool (public) under the Ministry of Transportation and Telecommunications from the internal one, under the administration of ministries and other central institutions , enterprises and so forth, which have at their disposal a limited number of motor vehicles and the purpose of which is to provide their own transportation in the sphere of production. At the present time, besides the pools belonging to the Automotive Transportation Enterprise, which holds the greatest share, and the Enterprise for Specialized Agricultural Transportation), a large number of motor vehicles are concentrated at other holders of motor pools, either for general transportation or for specialized transportation by areas--oil, chemistry, mining, geology and so forth.

It is clear and statistical data express that year after year the technical-economic indicators for operation of means of transportation (coefficient of use of the pool and coefficient of use of the capacity, daily average route) have recorded considerable improvements and that, due to permanent concern, the public motor vehicle pool enterprises have fulfilled and even overfulfilled the plan tasks and have recorded savings in the production costs and have fulfilled the profits plan and so forth. At the same time, one should not lose sight of the fact that, analyzing the indicators of efficiency--productivity, production costs and so forth--one may determine the high output of the general purpose pool over the level achieved by the internal pool. In some ministries and central organizations, the indicators of usage of motor vehicles in the supply generally represent 60-70 percent compared with the enterprises of the Ministry of Transportation and Telecommunications, although the results obtained here cannot be considered maximum, either.

Analyzing the indicators which caused the growth in productivity in the current five-year plan, one thus may note, along with the fact that the quality indicators of the enterprises with a public pool still have large reserves for improvements, that those achieved by the internal pool are at a much lower level. As pointed out at the meeting of the Political Executive Committee, the unjustifiably high cost recorded by the units with their own pools negatively affects the level of production expenses, seriously burdens the enterprises' budgets and conflicts with the requirements for economic-financial self-management.

Currently, some ministries and central institutes have formed their own pool of oversized motor vehicles. The major interests of the national economy require that the means of transportation in the supply of all holders of motor pools should be used with maximum efficiency and that the leadership factors in each economic unit should consider in certain situations whether it would not be more economical and advantageous to use means of transportation from the general-purpose pool or, even better, to resort to railway transportation. And this is because many times a lot of standing time is recorded by the motor vehicles in their own pool or they are being used way below their capacity for uneconomical distances and they are not maintained and operated appropriately, which causes high gas consumption, repairs and other transportation expenses.

Under conditions where the indicators of efficiency, particularly the level of transportation costs with their own motor vehicles, are not at a level lower than the general level of costs established for transportation with vehicles from the general-purpose pool, from an economic viewpoint it is justifiable for the holders of the pool in question not to be entitled to have their own motor vehicles in use. For that reason, in our opinion, the main direction for rationalization and rise in efficiency is to continue the process of concentrating the pool in large, specialized units, which would allow fulfillment and even overfulfillment of the current indicators of operation achieved by the units of the Ministry of Transportation and Telecommunications.

At the same time, we think it is reasonable for some ministries and central units to be able to have at their disposal their own pool, of a reasonable size, one which would be used exclusively for carrying out specialized transports and at the level of efficiency reached by the enterprises with a public pool for general service. We think it timely and efficient to establish and improve the activity of some single transport organizations by centrals, groups of enterprises and by cities, for the units situated within a city or certain azone,by concentrating the vehicles belonging to the particular units and using them reasonably.

The requirements for more efficient use of the motor vehicle pool require a stricter definition of the area of activity, both within the current organization of the country's motor vehicle pool as well as between the various subbranches of transportation--motor vehicle, railroad, river and sea. So we feel that the following should fall within the task of the pool of the Ministry of Transportation and Telecommunications: transportation of goods within the counties, the transportation of bricks and cement, sand and other mass products from factories and pits, except for internal transportation of the construction sites; transportation and expediting of goods by a combination of motor vehicle-railroad, motor vehicle-ship and motor vehicle-airplane; intercity transportation of people by bus. In this case the internal pool would have the following categories of transportation: the job site and plant transportation, transportation of intervention needed to eliminate defects occurring on the railroad lines, in the pipes for transporting of oil and gas products, in the water supply and distribution lines, roads and bridges as well as electric, telegraph and telephone lines.

By branches of the economy we feel that the motor vehicle pool for internal transportation should have the task of carrying out most transportation from industry and construction, occasional transportation from the branch of goods circulation, as well as transportation from agriculture (except for the harvest campaigns for fruits and vegetables, stalky crops and corn, when a portion of the volume transported should also be carried out with the public motor vehicle pool of the Ministry of Transportation and Telecommunications).

The demand for reasonable and highly efficient use also is required with regard to motor transportation made by the units of the Ministry of Transportation and Telecommunications, where rather high costs are being recorded. It is significant for us to specify that motor vehicle transportation is the most expensive kind (10 times greater than railroad transportation). Under these conditions it is necessary that, by analyzing the way in which the requirements for transportation of the national economy are provided, there be a reduction in the volume of goods transported with motor vehicles which involve the highest gas consumption and the highest costs. For this purpose it has been forecast that by the end of this year a 30-percent reduction is to be obtained in transportation of goods among the counties and more than 80 percent in transportation of passengers --which leads to the savings of appreciable quantities of fuel. What is more, studies made by specialists show the possibility for passing on to the railroads around 20 percent of the current volume of goods and passengers transported by motor vehicle.

Greater attention should be given in each transportation unit to rational use of the motor vehicles, on economical routes and at maximum capacity, extending the actions taken to increase the capacities of transportation by making the bodies much higher and by increasing the number of trucks to 3-5, compared with the 1-2 currently pulling the big-capacity motor vehicles. Although there are some achievements from this viewpoint, goods transportation in containers and by palletization does not hold a percentage which corresponds to existing conditions and the clear advantages they offer. Extending this efficient form of organizing the expediting of goods can contribute to reducing standing time for loading and unloading by 20 percent, reducing the labor force involved in handling the goods by 50 percent, the direct effect of which would be to have available around 3,000 motor vehicles, together with significantly reducing transportation costs.

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ECONOMIST SAVIN ON IMPACT OF DECLINING OIL PRICES

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 14 Feb 86 p 8

[Article by "zrn": "Lower Interest Rates the Greatest Gain"]

[Text]

Yugoslavia has long-term contracts for the purchase of petroleum, which places it in a position of not taking advantage of the impact of falling petroleum prices. We should not expect the prices of petroleum and petroleum products to fall in Yugoslavia, says Dr. Davor Savin, economic adviser to the president of the SFRY Assembly. We pay for petroleum with the dollar, which is mostly rising, while the dinar is falling. On that basis, then, it is certain that the drop in the price of petroleum will not have an impact on the Yugoslav economy.

"Yet it ought to be emphasized," Dr. Savin said, "that if the negotiations with the countries from which we purchase petroleum turn out successfully, these purchases may be less expensive in the future. Even in that case, however, Yugoslavia ought not to lower the price of petroleum. There are two strong reasons for this: the real price of petroleum and gasoline is at the 1977 level, and the gasoline tax is also one of the important sources of revenues for the federal budget. The additional income might be used in the budget to reduce the turnover tax on indispensable articles such as food. The government might also use that surplus to stimulate the economy and development programs."

Although logic argues that the drop in prices of petroleum on the world market ought to work towards a drop of prices in our country, Dr. Savin feels that it should on the contrary be burdened with additional taxes. But they should at the same time be accompanied by an opening up of other channels for conversion from petroleum and gasoline to other sources of energy.

Lower petroleum prices, accompanied by a drop in the dollar, will bring about a certain restructuring of currencies in the European monetary system. Dr. Savin estimates in this connection that there will be a pressure for revaluation of the German mark and devaluation of the Italian lira. If the mark is revalued, in practical terms this means that Yugoslav exporters will obtain a greater value for the same quantity of goods, but they will also lose if the Italian lira is devalued. In that case of course everything depends on the composition of our economy's exports.

"A drop of about 10 percent in the price of petroleum reduces world inflation by about 0.5 percent. The larger the drop in petroleum prices, and such assessments have been made by authoritative international institutions, this would reduce world inflation still more. But, and this is very important, it would lower interest rates on the international market for capital by the same percentage. This at least is very favorable for us. The reason is that every percentage point the interest rate drops on the world market means a benefit of one-third of a billion dollars for us."

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2800/173

SAVIN ON INFLATION, POSSIBILITIES FOR INCREASED OUTPUT

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 15-17 Feb 86 pp 1,5

[Interview with Dr. Davor Savin, economic advisor to the president of the SFRY Assembly, by Zoran Nikodijevic, date and place not specified]

[Text]

The beginning of the year does not promise any very essential change in the economic situation. Wishes, and indeed even announcements of possible changes, were quite different, but even in the first month inflation reached a fantastic 7.5 percent. The explosion of price rises is still not dropping off, and one gets the impression more and more that the economy is simply unable to prevent it. Why? Where are the mistakes, and who made them? Is it possible that there are no instruments that would have an effect on the worst sources of inflation, or are we unable to precisely determine the true causes, from which appropriate measures would follow with great certainty.

We attempted to obtain answers to these dilemmas from Dr. Davor Savin, professor and economic advisor to the president of the SFRY Assembly and a well known expert in monetary theory and international economics.

"The most unpleasant economic phenomenon at the beginning of the year is certainly the higher rate of inflation. The 7.5 percent rate of inflation in January is a warning signal that the annual rate might be somewhat less than eighty percent. Judging by the trends which have taken shape and the strength of the factors that have a bearing on the setting of prices, it is not very likely that economic policy will be able to reduce inflation very appreciably below the present level during this year. I even feel that it will be a success if it keeps it from rising higher. Above all because all the factors of inflation are still operating with full force, Dr. Savin said.

"Yugoslavia confronts a steady rise in the costs of business operation, since costs are increasing. That is why we cannot expect any particular change on the cost side, however many new things there might be in the area of demand. That is, over the last several months demand has been growing more rapidly, appreciably greater than anything that was anticipated. Personal incomes have even increased in real terms, which from the standpoint of the standard of living of the employed labor force is of course a good thing, but their rise has come at a time when production is virtually stagnant and when we confront all the problems that bring about disequilibrium in the economy. So, demand has now been added as a special pressure to this factor of costs as a consequence of the rise in real personal incomes. It will be difficult in economic policy to keep this under control in coming months.

[Question]: Does this mean that the programmed inflation, and the drop in interest rates on that basis, is not in economic terms the basic thing during this year?

[Answer]: Not just this year, but in any year! The very concept of programmed inflation makes no sense in economic terms. I feel that this will be yet another experiment that will join the ranks of the other failures of economic policy. There is no programmed inflation nor programmed aggregates that can solve the problem of Yugoslav inflation! The essence of bringing down inflation is that we have to have productive and efficient production, that is, we have to create productive and efficient jobs. We need a rise in the productivity of labor, efficient conduct of economic activity, and at the same time a growth of output, which reduces business costs and creates room for reducing inflation.

[Question]: Is that also the answer to how to reduce inflation?

[Answer]: It is the briefest and simplest answer to all the questions which economic reality is posing today: What is to be done, and how? Yugoslavia has to increase production. Increase production no matter where. That is better than for our productive potential to go unused. We have factors available to us, including skilled manpower, but we are not increasing production. The number of unemployed is holding at a figure of about one million.

The attempt which economic policy might make in an effort to reduce prices on the basis of programmed inflation, a programmed rise of the exchange rate and interest rates, which is one of the models which has been talked about more and more recently - is condemned to failure in advance. And I mean absolute failure. In psychological terms the message offered by that model is attractive, since it argues that one of the most painful problems of the Yugoslav economy can be solved in a single stroke, a relatively painless stroke. If that were really possible, then every country would solve all its problems without difficulty, since it would simply program something, which by nature it is unable to do. We have to speed up production, but in those sectors where we have all the comparative advantages and capabilities, which are agriculture, housing construction, the tourist industry and small business.

The Worst Alternative

[Question]: Why do you insist on precisely those sectors?

[Answer]: I insist on them precisely because it is in these sectors that we possess all the necessary potential: productive potential and labor, skilled manpower. In agriculture we also have specific advantages - available land, genetic engineering. The worst alternative is to try to freeze prices with various financial manipulations and moves of the "salto mortale" type; the programming of inflation is no solution. We may resort to what I have called an experiment. No matter, it is not the first, nor will it be the last, but the outcome is known in advance.

[Question]: Does this mean that this year will also pass by while we are trying to find our way?

[Answer]: Yes, that is exactly what it means unless we solve fundamental problems in a fundamental way. Whose mistake is it? We cannot look for it in the orientation of economic policy, since every economic policy promises something. If someone is told that programmed inflation will lower interest rates, slow down the slide of the dinar, that is so attractive that few people can tear themselves away from the idea of pursuing such a policy. But economic science does exist, and we have both our own lessons and experiences and those of other countries, and taking them into account we can know what the result of a particular measure will be.

[Question]: Who, then, is shaping such a policy, the politicians or economists?

[Answer]: We should not pose such a dilemma, since that will not get us far. Every politician wants the best for his country. However, in our economic and political development science has been much less present than it ought to have been. That incidentally is nothing new. Or, the answer I would give would be comical: With more knowledge we would have solved the rise of inflation. I repeat, it is really funny. At the same time I do not deny that a greater presence of knowledge and economic thought would have helped to find more optimum solutions. But what I am trying to say is this: the basic orientation which economic policy must follow is an aggressive orientation not towards bringing down inflation, but towards increasing production.

A "Miserable" Three Percent Growth

Consequently, for me inflation is not the priority goal of economic policy in 1986, but rather the organization of economic life that will lead toward a growth of production wherever possible. And my thesis is that it is possible to augment production. We are highly dependent upon imports. At the present moment we cannot increase industrial output by one hundred dinars without imports rising by approximately some twenty dinars. Yet there is nothing with which to pay for those imports in view of the financial restrictions: new credits cannot be obtained, and there is the obligation of repaying the old ones. Accordingly, the growth of industrial output is impossible without additional imports, but then again we face those restrictions.

Why is it that the growth rate of industrial output in Yugoslavia sticks at about three percent? Because in the financial environment as it now stands, given the strength of Yugoslav exports, with the present restrictions imposed by the balance of payments, the maximum growth of industrial output is precisely those "miserable" three percent. And there are no combinations whatsoever with which it would be possible to increase industrial production more than three percent, and that in turn is insufficient.

[Question]: Are there solutions to this?

[Answer]: With an orientation towards economic activities whose dependence on imports is low or nonexistent (agriculture's dependence upon imports is five percent, housing construction between six and seven, and it is negligible in small business and the tourist industry), we could bring that growth of production up to a much higher percentage with a relatively low content of imports, and then with that production we could pull everything else forward by the value of the multiplier (it is somewhere around 1.5, which means that for every 100 dinars of primary production, there is an increase of 150 in secondary production). A well-thought-out orientation towards that production could make it possible for a sizable portion of it to be exported.

An orientation which advocates a drop of prices instead of encouraging production is condemned to failure in the short run, precisely because of the restrictions imposed by the balance of payments. The primary goal must be to increase production, and that must be done precisely in agriculture, the tourist industry, construction and small business because of all the comparative advantages, and there also is the key to solving inflation.

7045
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SLOVAK JUSTICE MINISTER VIEWS ROLE OF JUDICIARY

Bratislava PRAVDA in Slovak 5 Feb 86 p 1

[Article by Jan Pjescak, Slovak minister of justice: "Revolutionary Role of the Judiciary"]

[Excerpts] Full participation of the working people in state administration and management is the most important feature of socialist democracy and the most effective instrument of strengthening and perfecting our socialist society. It embodies the fundamental principle of socialism which states that the people are the sole source of power in our society, as it is anchored in our May 1948 Constitution which was ratified following the February 1948 victory. The legislative enactment of the revolutionary Leninist principle of the broad participation of the masses in the judiciary resulted in our country in the practical application of one of the most important revolutionary tenets, namely, that in a society which is building socialism the people not only formulate but also execute laws through the intermediary of their representatives.

Popular participation in judicial proceeedings has profound political significance. It mirrors the process of intensified socialist democracy in the life of our society, and acts as prerequisite for higher quality and effectiveness in the work of our courts, with strict observance of socialist legality and in the development of citizens' socialist legal awareness. The fact that the court system today represents an important element in the building of a socialist society is largely due to the participation of people's judges, workers, cooperative farmers and members of the intelligentsia, who greatly enrich this system through their experiences, revolutionary thought and activist dedication to a consistent application of the juridical policy of the party and the socialist state.

In addition, the people's judges in their places of residence and employment provided valuable educational activity by sharing their court experiences with their neighbors and coworkers, thus promoting the benefits of socialist legality.

The basic and most important task of the people's judges is their active participation in judicial debates and decisions in both criminal and civil proceedings. Their performance is, naturally, predicated on proper preparation for participation in these decisions. It is an important substantive and political task of the professional judges to thoroughly familiarize the people's judges with the matters they are dealing with. For in our judicial system the people's judges are guarantors of the close linkage of the courts with the life of our society.

It is, therefore, essential that all presiding judges make sure that their people's colleagues are fully conversant with the substantive and legal aspects of each individual case. As early as in the selection process, the presiding judges must carefully consider the people's judges experience, education and professional specialty, as well as other requirements for this important task. For example, in cases dealing with juvenile delinquency or breaches of child-support laws, presiding judges should select people's judges with extensive theoretical and practical experience in the upbringing of the young generation. In cases of economic crime, the selection should include economomists, engineers and other experienced specialists. Such criteria-motivated selection ensures direct and professional participation in each individual case by the people's judges. Through their own experiences and political maturity they can help the court to delve into the very essence of each case, the real causes of labor disputes, divorces, traffic accidents, economic crimes and other punishable acts. Moreover, through such activist participation the people's judges can help to make sure not only that the guilty be punished but also that the causes of illegal activity be eliminated.

The tenure of people's judges elected in 1982 expires this year and new ones will be elected for a 4-year term under Law No. 36/1964 on court administration in the selection of people's judges. While the tenure of professional judges is 10 years to enhance responsibility and continuity, the term for people's judges is shorter, since they hold public office in addition to their normal employment.

Broad experience of the courts clearly confirms that about 10,000 people's judges in the Slovak judiciary play an important role in our system of jurisprudence. They have become truly a revolutionary factor, notably in the judiciary's cooperation with the National Committees, social organizations and labor collectives in the handling and resolution of criminal and civil cases, while enhancing socialist legality in our country. The Slovak Ministry of Justice has issued new directives which clearly delineate the role of the people's judges in both judicial decisions and in preventive education in their places of residence and employment. These directives also regulate the people's judges' collectives. Based on their experiences, the people's judges will alert state and other organs, especially the National Committees, economic and social organizations, to concrete cases of infractions and shortcomings in the conditions and causes of criminal activity in state-protected civil, family and labor relations, in order that criminality and other negative manifestations might be prevented.

The people's judges will also assist the National Committee and Trade Union commissions in out-of-court disputes in civil, family and labor relations, and in the protection of children and juveniles from harmful influences.

In places of their residence and employment they will promote voluntary compliance with court decisions and agreements on educational measures for minors.

As part of their judicial and educational duties, the people's judges will help organize and actively participate at their places of residence in lectures and seminars on current problems in the maintenance of socialist legality.

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PUBLIC TRANSPORTATION IN NEED OF IMPROVEMENT

Prague RUDE PRAVO in Czech 17 Dec 85 p 3

[Article by Zdena Stepankova: "Can Public Transportation be Improved"?]

[Text] I have travelled recently by an express bus from Prague to Brno; upon arrival at the Brno bus terminal, the passenger sitting next to me looked at his watch, then turned to me and said appreciatively: "Some transportation, isn't it? Fast and precise!"

He was right. Travellers can have full confidence in express buses. It does not even occur to anybody that, due to delayed arrival, a connection could be missed. Unfortunately, such confidence does not apply everywhere.

What are the characteristics of civilized and quality conscious public transportation? Primarily, speed and precision, but also easily accessible stops, frequent connection, comfortable and clean means of transportation, friendly behaviour of personnel; other services connected with travelling such as seat reservation or timely and good information.

As a matter of fact, passengers have many comments on the quality of transportation which are certainly legitimate. Let us talk about precision for instance. There are hardly any complaints about bus transportation; buses leave on time, delays are rather an exception, justified maybe by bad weather or bus brake-down. Railroad traffic delays, however, have to be taken into account already beforehand. Allegedly, an average delay is not more than 10 minutes, but such an average can be deceptive. Sometimes 10 minutes are sufficient to make the traveller miss his connecting train and make him wait maybe 3 hours for the next one.

The Ministry of Transportation has already made some provisions for improvement, but, so far, with only negligible results. The traveller realizes that a train cannot arrive on time in Olomouc, when it left Prague already with a delay. The railways have many problems with smooth running and through passage of trains; it can refer to certain objective difficulties, but as long as conclusions other than traffic reports will not be drawn from delays, the keeping up of schedules will not become a matter of honor to everybody who participates, in whatever way, in the passage of that particular train.

The passenger requires comfort. Buses and trains with seat reservations assure him such comfort. We could cite the already mentioned fast trains from Prague and Bratislava, as well as other long distance lines. The railroads introduced obligatory seat reservations on the trains Kosican, Tatran and Ostravan and on night sleeping cars and sleepers Devin and Hornad. People appreciate them; it must not happen though, that the car attendant forgets to wake up the passenger before the earlier designated station and does so 100 kilometers farther.

Bus transportation is cleaner than railroads. It is understandable. The distances covered are usually shorter and should it be longer, refreshment and rest room facilities are offered outside of the bus. The railways have to furnish such services and they hardly could be called satisfactory. The report prepared for the People's Chamber in October dealt with transportation problems; it informs us that for sanitary facilities in trains, about 95 tons of toilet paper, 103 tons of paper towels and 10 tons of soap are used per year. The expenses amount to almost 3.5 million crowns. Without wanting to be suspicious, one asks what happends to all these items? Are they really serving the passengers? Or, more precisely, only the passengers?

The damages caused every year by travellers in trains amount to approximately 15 million crowns. It is almost unbelievable, how people can ruin things around them. And it is not only vandals who cut up the seat upholstery for their pleasure; the real cause of all the damages is mostly alcohol. As most of the train attendants are women, they do not even dare to enter a wagon with alcoholics. Drunks can be aggressive and dangerous and it happened already that they threw the attendant out of the train. At the upper-mentioned session of the Chamber of People, an example related to a train attendants refuse to step into. It runs from Galanta to Ostrava carrying employees of the Ground Construction Kosice; after each trip it is regularly so devastated that the damage costs reach 30 thousand crowns. Complaints to the employer lead nowhere, the enterprise rather pays for it. Another special case are trains with new conscripts. Here again, the main cause is alcohol.

One of our readers shared with us her experience. She was going from car to car looking for a seat. She did not find any due to the fact that some passengers simply used the seats as beds and did not let anybody enter the compartments. When she asked the attendant for help, he only shrugged his shoulders which meant to say that nothing can be done.

Many appeals, admonitions and exhortations have already been made. Drunks or vandals should be sometimes expelled from the train. But women attendants should not be asked to do it, it should be the duty of the Armed Railroad Patrol which should intervene more often.

The cleanliness in the trains is a chronic disease of our railroads. It is alleged that mechanized services are inadequate and that there are not enough people with buckets and brooms to clean the wagons. But certain railroad stations are not much better. While some of them are clean and inviting, touching anything elsewhere has to be avoided in order not to get dirty. Approaches to larger cities are, as a rule, littered with soft drink containers and paper lunch bags, as many passengers have a strange habit of disposing of their refuse by throwing it out of the window prior to arrival at their destination. When the surroundings of the stations become unbearably littered, railroad employees organize from time to time cleaning brigades. Nobody intends to excuse the undisciplined travellers, but aren't they often induced to it by the generally unkempt environs? Nobody would throw anything out of the window at a well kept railroad station.

The public bus, railroad and city transportation is and always will remain under a strict control of the passengers. People going to and from work or for recreation want to arrive on time and if possible also comfortably. Everybody wishes to get a seat for a longer journey and this is provided for by a seat reservation; on shorter distances, especially in city transportation, people do not mind to remain standing; but even this has its limits. When indicated in the bus that the standing passengers must hold on to a strap, the straps should be provided.

Drawbacks may occur everywhere, even in transportation. Particularly on principal railroad lines, little is needed to disrupt the traffic and to cause delay. However, the passenger deserves to be told why the train was late and is owed an apology.

Let us return to the question how and if the passenger service can be improved. Objective difficulties, such as obsolete rolling stock, unfinished railroad stations, lack of personnel in some branches will not be solved from one day to another. But improved conditions are being created. The average daily number of bus connections on working days reach approximately 170,000. Over 91 percent of the population have a CSAD (Czech Bus Transportation) stop not farther than 2 kilometers from home. Based on inquiry and comments of travellers, new train connections were introduced from Bratislava and Kosice to Liberec, from Kosice to Ceske Budejovice and Decin, from Prague to Luhacovice, Zvolen and Kosice via Bratislava; others are under preparation. In Prague, an additional section of Metro was put into operation. But to increase a civilized standard of travelling and to improve passenger traffic requires not only considerable investments and changes, but daily attention as well. That applies to all bus and railroad traffic. For example in Prague, with newly rebuilt city traffic and new bus and street car lines introduced, it should become a general practice to announce the names of the stops. This, too, belongs to the quality of passenger transportation.

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TRADE UNION COUNCIL REPORT TO 25TH TU CONGRESS

AU260601 Budapest NEPSZAVA in Hungarian 14 Feb 86 pp 3-8

[Report of the National Council of Trade Unions submitted by Chairman Sandor Gaspar to the 25th Congress of the Hungarian Trade Unions on 14 February 1986: "Oral Report of the National Council of Trade Unions--To Be Submitted by Sandor Gaspar"]

[Text] The rich traditions of the Hungarian trade unions, their 4 decades of hard and successful activity for the construction of socialism, and their devotion to the cause of the working people, and a response to the demands of their members, obliges the 25th Congress to:

--Report, on the basis of the members' opinions, on the implementation of the decisions of the 24th Congress held in 1980, on the movement's development, and to outline the most important tasks of the coming years;

--Carefully analyze the situation of the trade union movement;

--To find the way in which the movement, adjusting to the current circumstances and tasks, can fulfill even better its mission, which is to help construct socialism.

The report of the National Council of Trade Unions SZOT to the congress wishes to fulfill these requirements in its written report, in the oral report, and in the draft resolution.

The membership as a whole thoroughly evaluated the movement's achievements since the last congress. Through lively exchanges of views in trade union groups and basic organizations, at county delegate meetings and branch congresses, the members debated and adopted the reports on the activity carried out, on the problems and tasks. Reviewing the economic and social situation of narrow and broader surroundings, the work place and the country as a whole, the members evaluated the trade unions' activity as positive. The members pointed out, however, shortcomings and mistakes everywhere. They expressed their desire for more courageous stands of initiative and made numerous proposals for the improvement of our activity.

Recognition of the fact that the vital source of the Hungarian trade unions' strength and activity is their identification with the cause of socialism and committed representation of the interests of organized workers--a representation based on the rich experience of several decades--is reflected in the value judgement of the membership. The members expect of the trade unions that they display greater sensitivity and attention to living and working conditions and to personal problems, that they strengthen their relations with the masses and strata which they represent, and further increase and assert their influence in public life more precisely and more efficiently.

There Can Be No Construction of a Socialist Society Without a Strong Trade Union Movement

Under radically new conditions and amidst increasing tasks and different conditions, the trade union movement has considerably advanced ever since the liberation. However, the path of development and the practical implementation of the trade unions' social and political role is a long process, a road full of bumps and twists in some sections, also under socialist conditions. The people's democratic revolution between 1945-48, the period of the struggle for power, represented also for the trade union movement a "change in course," fresh ideals, and new methods of approach compared to the period prior to the liberation. The workshop committees took a firm and successful position of initiatives in representing general local interests. They often had to take upon themselves tasks that exceeded their original functions: They started production, organized the supply of workers with goods, and distributed the scanty goods. It was primarily this activity that increased or recreated the tradition-rooted prestige of the trade union movement in the eyes of the workers, and at the same time, this had a perceptible effect also on other strata living on wages and salaries, among whom several new trade unions also emerged. The working class became a partner in power and the capital could operate only under the strict supervision of the state and the workers. The old and new elements of trade union activity developed and took shape accordingly. The trade union movement was also able to have a considerable say in all the important issues affecting the workers. The movement's organizational activity embarked on a dynamic development; the movement increased its influence in the so-called "blank spots," among women, youth, and employees, and supported the cause of education, culture, and sports.

In working out the political system of socialism, the party, which was gradually abandoning the path of Marxism-Leninism, did not apply the Leninist principles in dealing with the trade unions, either, and did not make use of the advantages deriving from the change in power. It curbed the activity of the trade union movement, thus causing great damage. The enterprise committees were eliminated, the stewards' role was reduced, and so was the influence of the trade union movement. The system of directions carried out by the party guidance threatened the independence of the trade union movement. The decision of the Political Committee of the Hungarian Workers' Party of 1950 accused the trade unions of "syndicalism," of being the enemy's hiding place.

The TUNC-decisions following the party decision of June 1953 promised changes in the interpretation and practice of trade union functions. But the changes, the attempts to correct the mistakes, and the vacillating and often precipitate and inconsistent steps proved to be insufficient. They were not accompanied by a comprehensive analysis of the mistakes and practice of previous years and by the drawing of necessary conclusions. It is unfortunately true that, although the trade unions occasionally expressed their dissatisfaction with these mistakes, they were unable to take a stand against these mistakes.

In spite of these distortions, the post-1945 period brought fundamental changes in the trade unions' activity compared to the capitalist period. The increased membership of the trade unions, their weight in public life, and the development of industrial branch trade unions represented indisputable advantage, influence, and power. Following the liberation, the Hungarian trade union movement started on a new road.

Taking into consideration the lessons of the past, the trade union policy of the MSZMP developed on the basis of Leninist ideas. The leaders of the reorganized party and the communists working in the SZOT set out immediately--already at the 10th SZOT Plenum in January 1957--to search for methods aimed at developing the trade union movement under socialist conditions. Following on this path, we regard it necessary to point out now too the importance of certain experiences.

The MSZMP recognized and asserted the truth in practice that a socialist society cannot be constructed without a strong trade union movement. We made repeated efforts to increase the trade unions' independence, political weight, and social prestige. We must create guarantees to avoid past mistakes from being repeated. The sphere of authority of the trade unions increased steadily, from step to step. We have strengthened the movement's influence on society in two ways: on the one hand, by increasing the possibilities provided by the law and rights as well as the forums of enterprise democracy and, on the other, by improving the content of the existing forms of activity. The MSZMP is also aware of the fact that politics is a human activity and therefore, it must be institutionally guaranteed that the danger of mistakes in the course of decision-making should be as minimal as possible. This, however, can be achieved only if the decisions are made and are implemented with the collaboration of the people affected by them.

Independently and Committed to the Cause of Socialism

We attribute great importance to the fact that the MSZMP Central Committee summed up the essence and experiences of its trade union policy in its position of 12 October 1983. Following Lenin's principles, this document characterizes and determines the trade unions "as the most comprehensive organization of the working class in power, of the workers living on wages and salaries." The document declares that the trade unions act independently; contribute to the acceptance of the goals of socialism and mobilize their members for the implementation of these goals; based on their extensive rights guaranteed by law, they represent and protect the workers' collective and individual, daily and long-term interests; take part in working out the regulations connected with living and working conditions and in supervising the implementation of these regulations; in representing collectives, they can make use of their right of objection and can veto possible violations of law and mistaken measures.

The position of the Central Committee confirms that "...the trade unions' role in our society continues to increase." Our system of economic management--continues the position--creates the independence of the local bodies, increases their responsibility, and this also provides the trade unions with greater possibilities and presents them with new tasks. The trade unions received an outstanding role in institutionalizing socialist democracy, including the work-place democracy: "in practicing work-place democracy, the trade unions must continue to represent the working collectives."

The trade unions gather together the workers living on wages and salaries. They contribute with their own irreplaceable means to the assertion of the leading role of the working class in our society, not only in a historical perspective but also in our everyday life and in the series of daily decisions.

The trade unions are present in every political, state, and economic forum where decisions are made concerning the workers' future and possibilities, and they unequivocally represent the interests of the employees.

In the spirit of the policy of alliance, the trade union movement itself connects the workers, intellectuals working as employees, and the different strata of employees. One of the characteristics of the development of the trade union movement is that, at the same time as its unity was strengthened and cemented its activity became more differentiated and open. Today's working class policy is therefore not a narrow-minded class policy but a wider policy adjusting to the realities, and this way it can really assert itself. Common interest and goals are the basis of solidarity and unity. Today we must know how to implement this under new conditions, a new interpretation, and in a new way. We endeavor to achieve a national consensus in the main goals of socialist construction. The essence of this consensus is that the other working strata of society take upon themselves to support the goals of the working class and the working class takes it upon itself to support the efforts of the other working strata in all questions that do not interfere with the fundamental goals.

On the basis of principles expressed also by the position of the MSZMP Central Committee, the trade unions carry out their activity independently while at the same time being committed to the cause of socialism. They recognize the party's guiding role in asserting the leading role of the working class. The trade unions participate in the shaping and implementation of the party's policy. They cooperate with the state bodies, public organizations and movements in implementing the great goals facing country and in solving everyday problems. The trade unions strive for the assertion of their own trade union and employee viewpoint in the above-mentioned relations.

It is today almost natural for the overwhelming majority of the present generation to enter the trade union movement at the same time as they start working. They almost take it for granted that their interests are protected, the forums of enterprise democracy are operating, they can join the trade union's cultural life, they can spend their vacations in holiday resorts, and they can get assistance if they need it. It is a great achievement of our life that the extensive activity of the trade unions is now taken so much for granted.

The position of the MSZMP Central Committee outlines the main trend of the society's development--including the trade union activity. Of course, it does not wish to provide a formula for solving the specific everyday tasks of trade union activity. It is the trade unions' job to consistently implement the tasks deriving from the position and this is a process that requires longer time. There are no readymade solutions for the development of trade union activity.

The trade unions have an active share of the power in Hungary. Therefore, they cannot restrict themselves to only representing the demands of the workers but they must also participate in the creation of conditions aimed at fulfilling these demands. The trade unions can fulfill their role in society well if they accept all the tasks meant for them: they are taking an increasingly independent part in guiding society, and they are endeavoring to develop the economy and to maintain and constantly strengthen social security, stability, and general consensus. The decisive element of all these is their participation in shaping policy. The trade unions, however, can genuinely fulfill their tasks if they strengthen their functions of representing and protecting interests. There has been a change in the content and possibilities in the way trade unions have represented and protected interests in past years: this activity has become more comprehensive and more flexible but conflict situations have at times brought the movement into a difficult situation. The trade union members agree to a socialist society--but they demand from the trade unions that they deal with their interests, the acceptable assertion of social justice, and with the affairs of individuals more efficiently, more quickly, and with greater consistency also in everyday work.

The requirements of efficiency and quality must be asserted in all areas of life, and thus in trade union activity too. Almost everyone demands the introduction of a more open working style, a more courageous attitude on the part of the trade unions, and their discernable and perceptible presence in the everyday life of millions of workers.

It is, however, difficult to change the accustomed rhythm of our work. Sometimes bureaucracy hinders the movement from getting close to the people, at other times--in the case of numerous new tasks--today we are still helpless and timid in action. There has been an increase, of course, in the number of critical and often cynical remarks in proportion to the number of unsolved tasks. It is obvious that we are not making use of all the possibilities and that we possess unused resources. However, it is also a fact that the trade unions' sphere of action is always determined by the development needs and possibilities of the entire society. The working-style of the trade unions--although undoubtedly in need of further essential improvement--cannot disregard the guiding system of society as a whole, its character, level, and consequences. It is only in the development of society that the new elements in the life and work of the trade unions will be asserted.

The assertion of rights, the development of work, and the strengthening of prestige have not been carried out without speculations, debates, and searching for the right way, because the role of the trade unions is only seemingly simple. Their mission, on the one hand, is to help the construction of the society and the consolidation of power and, on the other, to represent and protect the interests of the workers. It is difficult and contradictory to fulfill this dual responsibility. We must therefore be careful not to allow the "balance" of our thinking and activity to be upset in any direction, and to make sure that it stands in balance.

The general goals of the trade unions do not change. The conditions, circumstances, and possibilities, however, under which these goals can be organized in a program are constantly changing. This means a determined activity and struggle as a social-political force and requires independence. The achievement of these goals demands endowments and sills that the trade unions basically possess. We must give a positive answer to the question whether we are able to create the conditions for a more dynamic trade union activity which has a greater influence on the common cause. It is also true that this task demands a considerable improvement and further development of our entire activity.

The principle of the party's leading role is of universal validity but the mechanism of implementation of this role always depends on a concrete historical-political situation and on its changes. An important determining factor of the development of trade union activity and of the development of the entire society, too--on the basis of the principles of scientific socialism, a realistic and good policy--is the type of division of labor the party creates and the type of methods with which the party asserts its leading role in its cooperation with the trade unions.

On the Basis of Reality and Aware of the Workers' Views

One of the MSZMP's basic guiding principles is that, under its leadership, the fundamental interests of the working class--which include the interests of the entire working people--are represented, expressed, and asserted not by a single organization but by a system of institutions made up of several organizations and which reflects different interests. The party expresses the interests of the working class connected with the political struggle, power, the social-political system, and with the historical goals. The trade union, which identifies with all these and helps all these, represents in its particular area on activity and among its multifaceted tasks the economic and social interests primarily--but not exclusively--of the people living on wages and salaries in the system of production and distribution. Just as the party is doing, the trade union also places in the center of its activity the tasks which--deriving from their different but complementing role--they must represent and also solve.

The party can carry out the guidance, supervision, and orientation of society more efficiently if it can also rely on the trade unions' comprehensive activity in revealing and harmonizing interests. The principles must be asserted in practice. This, however, is not easy here, either. The 13th MSZMP Congress reaffirmed that, in asserting its leading role, the party is constantly searching for more developed methods to ensure the principled guidance and the necessary political influence and at the same time to avoid giving instructions, patronizing, and over-particular interference. The party is striving to make sure that the trade union bodies have even more opportunities for initiatives deriving from consultation with their members. The party facilitates the creative debates held with the economic and state bodies which are intended to bring about better implementation of tasks because only in this way can the trade unions' particular activity, their responsibility as a movement, and their high-level readiness for initiatives develop.

The assertion of independence and responsibility is an important condition for improving trade union activity. This is, at the same time, one of the important parts and complex problems of the efficient operation of our political system. It is important for the trade unions to have a clear-cut opinion and independent position on the major issues of the society's life, the economy and politics. With this, the trade unions can fulfill a responsible and creative role not only in working out and implementing the policy of socialist construction, but also in creating and maintaining national consent, which is indispensable for socialism. It is clear to us that it would lead to serious mistakes if the trade unions, by holding back their initiative and interest-asserting activity, were automatically to adopt the positions of their partners.

The trade unions should have their own position at all levels and on all issues, a position reflecting their particular role and mission. This, however, does not exclude--on the contrary, it explicitly requires--previous harmonization of positions which are important not only from the viewpoint of the creation of the coordination and harmony necessary in the socialist society but also in order to increase the trade unions' prestige and to support their activity. Implementing the political practice and carrying out instructions can be hindered equally by objective difficulties and subjective human errors. Of course, the trade unions cannot agree with mistakes and shortcomings, or with measures that adversely affect the values of socialism, the implementation of the policy of the working class, the interest of the workers, and their living conditions. In this respect, we must be "in the opposition," namely in opposition to mistakes and shortcomings.

The trade unions are committed to the cause of socialism. While they express this in their position and activities they do not identify with all the details of the implementation. When they think the latter needs corrections and changes and when they take a stand in some issues or details for a better solution, they do so precisely for the cause of socialism and as proof of their responsible attitude.

While we can report a general consensus as regards goals, there might be different opinions in judging certain tasks and in choosing the methods of implementing them. It is in the nature of things that, in these cases, we should honestly tell each other what we consider right and what we propose. The most natural right and responsibility for us is to express our opinion on the basis of reality and in the awareness of the workers' views. The interest of socialism requires the widest possible surfacing of views and interests, their formulation and assertion. The trade unions provide an important framework for this.

If we do not precisely understand our independence and responsibility, disturbances can emerge as a result. This can derive from the fact that we wish to assert our independence irrespective of space and time and do not take into consideration the realities, for instance, the tasks facing the country and the country's possibilities. We must always evaluate the real situation. We must express the trade unions' endeavors by judging the possibilities of the social and political organs with which we are thoroughly familiar and we must never disregard these possibilities. It can also be a source of danger if we do not genuinely deal with a justified demand because we consider that there is no chance of solving it in the given period of time. The trade union members do not accept this without explanation or justification--and they are right in doing so.

Trade union independence is still not sufficiently asserted. It is often not asserted to the extent the possibilities permit. Its social roots are still not strong and deep enough and thus this independence is asserted at very different levels and consistencies in different organizations and bodies. The trade union members, however, naturally judge the trade unions primarily on what these can do to improve their situation.

Interest Protection and Representation Adequate to Today's Requirements

The majority of the problems burdening the trade unions do not arise from their own internal life. Their activity develops together with the development of our society; the tasks facing the country, the changes in the economic and social situation and the subsequent possibilities and limitations are reflected in this activity. The situation of the trade unions is at present more difficult all over the world: circumstances have become more complex, the emotions surrounding their activity have increased, and without the necessary economic conditions, it is not easy to fulfill the justified requirements of the workers and of the trade union members. This is the situation in Hungary, too.

The goal is to create and operate relations and mechanism in which interests can openly appear, "can size up" their own sphere of influence, can connect with other interests to have a joint influence in the most varied forms of agreement and conflicts. This can present short-term difficulties; it requires greater attention and more work as well as an increased understanding of society's interests; in the long run, however, this is the only correct method. Although we accept diversity of interests in principle, many quarters still have difficulty in tolerating the concrete appearance of this diversity. It is thus understandable that the question of to what extent one should take into consideration the differences of interests in socialist construction becomes increasingly important. Interests are always searching for a way of expressing themselves. If mechanism exist, then this happens at the institutional forums of social-political publicity. If there is no such mechanism, then this easily slips through the possibilities of supervision and direct influence.

The trade unions play a part in many points in shaping and developing the final goal and the strategy. Their role is particularly great in everyday life, and in the details of implementation. Here, there is a direct need for them to have freedom of decision and action but this can only be interpreted under the circumstances and conditions of commitment and identification with the strategy and the historical goal. The trade unions' independence in shaping long-term goals and in the details of their implementation, as well as in everyday issues, is important because this is an essential means of maintaining and strengthening contacts with the masses and acquiring feedback that is useful in politics. It is not by means of declarations but only by fulfilling their functions at the most efficient and complete level that the trade unions can fulfill their vocation. There is also another thing involved here. This independence in daily matters and matters of detail is able to create firm trade unions whose contact with the masses is adequate and which possess social influence. The trade unions play a particular role in strengthening relations between the party and the masses. This outstandingly important role of the trade unions derives from the fact that they convey the interests that must be definitely taken into consideration in preparing decisions.

Cooperation between the trade unions and the state economic bodies is a natural phenomenon of our socialist society. Most workers support the fact that the trade unions share the views of the state and economic leaderships on fundamental issues when the trade unions have participated in the activity by having their members included and their interests expressed and represented. It is true that this cooperation, which is not easy, requires a sense of vocation, responsibility, and the consistent representation of views and opinions on both sides. It requires the formulation and discussion of proposals, remarks, and criticism in a way that allows the expression of mutual respect toward one's negotiating partners. This cooperation must be constantly developed on the basis of social and economic development, particularly in working out the tasks and measures, and later the details.

Another important condition for a higher level of trade union activity is the requirement for greater emphasis on interest representation and protection than hitherto. We can and must expect that the activity of representing interests will become more complex and far-reaching because interest relations are now more complex. More attention will be paid to harmonizing interests and uncovering and solving conflicts. The circle of possible partners will expand and become more differentiated. We must, however, fight by means of work and management first of all to strengthen the protection and representation of interests.

We must look for the cause and the reason for the creation of the trade unions above all in the sphere of the protection of interests. The working class created the trade unions in order to protect and represent its interests. This has been, and still is, one of the central tasks of the trade union movement. The traje unions will be able to acquire an adequate mobilization, organization, and education influence only if they fulfill this particular task. This can also lay the foundations for their influence on the masses, their social prestige, and their international weight. Based on this and in the possession of this, they can endeavor, with chances of success, to win their members over and mobilize them for the implementation of social-political goals and economic tasks. Our lessons are unequivocal: there is no substantial trade union activity without solid work in representing interests.

Today, not only the experts but also public opinion is involved in shaping the fundamental issues of economic policy. The trade unions must bear this in mind in dealing with economic policy issues. It is clear to almost everyone that only the development of economic efficiency provides a chance for closing the gap and solving the contradictions of socialist construction. Accepting the main goal does not necessarily mean agreement in details. In carrying out their activity of information among the workers, the trade unions do not support views and goals that maintain antiquated relations and concepts. If they did that, they would harm precisely the fundamental interests of the workers and of society. The trade unions do not give a helping hand to factors that block movements that advance society. They cannot be indifferent to the interests and demands of the workers either. Thus, we can expect the activity of the masses to become the driving force behind socialist management and development. This, however, requires interests to be represented and protected in a way that is adequate to current needs. There are people who openly claim that only in helping economic activity can the trade unions be useful and not in the above way. This position is fundamentally false because interests energe on the surface in society anyway. One who does not take note of this is deceiving himself because "there are some who exaggerate and others who hide the problems." It is possible that this is not an adequate scientific argument but it is good enough to render the political essence perceptible.

The fact that the system of management will provide the production collectives with more rights in enterprise management than previously and that they will have a greater interest in the enterprise assets leads to considerable new tasks in many respects in the coming years. The increase in the rights of workplace communities will raise anew the question of relations between the roles of owners and employees and at another level. It is possible and necessary to strengthen the ownership and employee positions only one along with the other and not one against the other. The enterprises' economic leaders and bodies do not represent the employee rights of the workers as a whole or of a determined group of workers; they are not meant to. Therefore, the development of enterprise independence must go hand in hand with the increase in the trade unions' political and social weight. Any concept or measure that does not take into account a realistic employee attitude and the workers' reactions expressed in their work and political position can hardly be effective. Therefore, while we strengthen the transformation into a driving force of the binding element and activity of ownership, we must also strengthen the position of employees, too.

The existence of employee status justifies the maintenance of the particular role of the trade unions. The trade union continues to maintain its right to be the representative of workers living on wages and salaries. Its role and the area and form of its operation accords with the stipulations of the Central Committee Position of 12 October 1983, and the trade union exercises all those rights it possesses today too.

The increasingly emphasized direct method of central state guidance also provides the trade unions with greater possibilities. It represents new tasks and calls for an improvement in the trade unions' activity, particularly in the enterprises, at the workplaces. Because of the importance of the subject, it is worth mentioning separately the relations and cooperation between the enterprise management made up of elected members and the trade unions. Today it is too early yet to see precisely what new features and methods can be assumed by the activity of an enterprise management made up of elected members compared to the traditional one. The elected leaderships make employer-manager decisions and so the employer decisions of the enterprises they manage cannot do without trade union assistance and social supervision, either. Today, we still have little practical experience of the new elements in the cooperation between individual leaders and the bodies made up partially or completely of elected members. The system of cooperation between these bodies and the trade union bodies is now in the process of development. For this, we must provide a direction for the necessary activity in the near future.

The Improvement of the Economic Situation Is a Nationwide Task

As a result of the state of development, structure, and openness of the Hungarian economy and the weaknesses of our own work, Hungary is among the countries hard hit by the more difficult external economic conditions. Most of our products are of medium technological level and have become devalued on the world market while there has been a sudden increase in the price of raw materials and energy products. The deterioration of international political relations also affected Hungary and we must continue to take into account the discriminatory measures that are directed also against us. The burdens facing us as a result of the country's debts have brought tensions to the surface.

In the past years we have succeeded in developing and implementing an economic policy by means of which we were able to maintain full employment and avoid the drastic limitations that would have made the workers' life more difficult. The general consensus of society did not break, either, although the necessary economic measures severely taxed the population's tolerance. Like every achievement, this has also had a high cost. We had to allocate a considerable part of our national income to strengthening the foreign economic balance and as a result--as it is well-known--the investment possibilities were limited and the real value of wages and pensions decreased. Discipline slackened and the activity expressed in deeds became weaker in many places.

In the economic emergency situation of the past few years real wages decreased and the increase in consumer prices caused social tensions. The gap between justified demands and the ability to fulfill these demands widened. The problems increased and became more serious among the people living on small pensions and low incomes, families with many children, young couples, some strata of the intelligentsia, and people starting on their careers. The trade unions accepted the inevitable measures that had an unfavorable impact on the standard of living because this was the only way to maintain the balance of the people's economy. Economic changes have a profound impact on the people's attitude, on the activity in production and public life, and on the development of the system of values. The workers are striving to maintain the standard of living they have achieved in spite of the more difficult conditions. Many people feel that they are unable to create the income they need at their main working place and in their regular working hours. Therefore, they supplement the income they earn during 8 hours of work with extra working hours and often with activities that are far removed from their profession and training. This hinders both the better utilization of the human factor and the intensive economic development.

Thoroughly aware of the situation and the problems, the 13th MSZP Congress designated the acceleration of economic development in the coming years and then a gradual increase in the standard of living as being among the most important tasks. Since we cannot continue to reduce domestic consumption or prevent it from increasing, the material base for the further stabilization of the country's international and domestic financial balance must be created through the improvement of production efficiency and the acceleration of economic growth. Therefore, the main task to be implemented in the Seventh 5-Year Plan is to lay the foundations--while maintaining and strengthening the economic balance--for the increase in national income, technological advance, a tangible increase in the population's standard of living, and for the improvement of living conditions. In the coming years we must achieve a turn as regards quality and efficiency in the areas of industry and the building industry, transportation, and agriculture. According to the decision of the party congress, a program is being prepared for slowing down the rate of price increases; this is a very timely and necessary step. We must be careful, however, that these measures are not guided by the interests of distribution. Inflation causes materialized disturbances in production, construction, the supply of the population, in the lack of organization of procurement, and in shortcomings in services. An increasing number of people attain higher than average incomes only because society has failed to organize certain basic activities at all, or it organizes them very badly.

In the view of the Hungarian trade unions the decision of the 13th MSZMP Congress is right because it urges the development of a strategy for economic development that can ensure progress in the current situation. It follows from this that we represent and support with good conviction the goals formulated in the documents of the party congress.

We have well-thought out plans for changing the economic situation. A slower rate of increase in consumer prices can be achieved and so can continuation of a certain degree of price subsidization. By increasing the rate of economic growth, it is possible to increase the number of apartments under construction, mainly of state-owned apartments. We regard it as important to make sure that there is the necessary flow of manpower by maintaining full employment and that better efficiency leads to an increase in the security of existence.

To extricate ourselves from the current complex and difficult economic situation is a nationwide task and the most important cause of the working class. The trade unions also judge their own role on the basis of this task: they help and support the implementation of the tasks ahead. We must be clearly aware of the fact that we can attain the goals we have set out only if we succeed in creating order and discipline and increasing the level of our work in the way planned.

To Equally Accept the Rights and the Obligations

In the socialist society protecting interests and a siting production are indivisible functions, which are conditional upon each other and mutually strengthen each other. Jointly they express the trade unions' commitment to the construction of the socialist society and, through their joint implementation, they can fulfill their mission. Assisting production and promoting economic development is at the same time a protection of interest of decisive importance, just as the protection of interests is an essential driving force of production and economic development. This interaction does not reduce but rather increases the trade unions' role of protecting interests.

A trade union activity independent of our economic possibilities cannot lead to real success and cannot lead to an improvement in the standard of living. The framework of wages can be basically increased only by expanding economic possibilities. Forced increases lacking the above mentioned possibilities can lead to inflationary price increases or to increasing shortages. There is no point in fighting for agreements that do not have the necessary economic cover. Our honest aim should be to get more actively involved in the shaping and implementation of economic policy than hitherto.

An outstandingly important requirement for the trade unions is to help create the firm and constantly strengthening basis for the development of the security of existence, and in order to achieve this, to carry out their production-assisting activity in a renewed form and at a higher level. In urging the implementation of the current economic tasks, much attention must be paid to the new elements that are appearing along with the traditional helping activities. Such new elements are assisting in the changes of the product structure and the flow of manpower, urging the increase in professionalism, and making better use of competence. This means a necessary transfer of the main point; the trade unions have to support the inevitable changes in the economic activity and the successful utilization of new elements.

It is in the interest of every worker to help to improve the country's economic performance capacity, the technical-technological renewal, the structural transformations necessary in the economy, and the development of economic management. So far the enterprises have been unable to reveal thoroughly enough the resources inherent in the workers' activity. There are considerable unused resources as regards the modernization of the product structure, manpower management, and retraining and further training manpower. Our most important tasks are in work organization, work discipline, technology, the accelerated development of technological levels, its improvement, the use of three shifts, and in the uninterrupted operation of the machines. There are things to be done in every workplace. If we encourage and appreciate work well done and creative work and if we can attain the workers' collaboration in improving quality and organization, then we can place considerable development resources at the disposal of the economy.

As a result of distortions in the price system, relations of the "wage competition" among the state enterprises with efficiency are not close enough. There have always been and will always be wage competition. But they should not be extreme, that is, it should not simulate inflation. The development of manpower and income policy and the regulation of incomes and sources of income deriving from outside the basic workplace have become urgent tasks.

The trade unions attribute a considerable role to economic regulators in increasing the efficiency of the economy. A more readily calculable system of regulators that is valid longer is needed, a system of regulators that creates, through the central influence on enterprise investments, conditions for steady economic growth that does not threaten the domestic and foreign economic balance and which thus facilitates a better assertion of the requirements of planned development. Today, the enterprises' "eyes" are still often directed at financial management instead of the market. It is in our elementary interest to develop an enterprise activity in which enterprises can increase exports, imports, and last but not least, also the workers' income from the deserved surplus. The budget methods of economic management must promote this adequately.

The increase in the forms of operation listed in the category of supplementary and ancillary economy fulfills the demands of society; we must accept that the halt in the increase of the standard of living brought similar endeavors to the surface all over the world. We must learn to live together with these economic forms, we must make use of the advantages inherent in them, but we must also take into account the conflicts deriving from their operation. We regard it, of course, as our attainable goal to make sure that workers earn adequate incomes that ensure a good living in their main workplace. This, however, can be the result of a longer process--one that can be accelerated, though--and can be based only on a considerable improvement in work efficiency.

The majority of the enterprise workers' business partnerships carry out useful activity although one can also find among them phenomena violating our socialist concepts and system of values and our society reacts sensitively to these phenomena. Continuation of the enterprise workers' business partnerships is practical in every place where they fulfill real needs economically and at an adequate level; the distortions, however, must be trimmed. Their work must be made more visible for the workers and their activity must be analyzed, and the good experiences must be introduced everywhere. In solving tasks that are useful work for the enterprise, we must rely more on the socialist brigades.

We continue to need the socialist work competition as a particular form of the workers' activity, and we must not give it up for anything. Neither should we give up the concrete form of organizational activity represented by the socialist brigades. We have the opportunity of eliminating weaknesses, correcting mistakes, and reviving the movement. There is really a demand for this. It continues to be the main task of the work and competition movements to be the internal driving force of construction work, of the shaping of the socialist man, and of the higher-level activity of the workers living on wages and salaries. The participants in these movements should provide an example of how one can and must work according to today's demands and be concerned about each other and the interests of the community. For this, they must have independence and responsibility, both in the evaluation of performances, material and moral appreciation, and in choosing the forms and methods of the work competition. The small groups organized for independent manual and intellectual work have become a considerable factor of production all over the world, and collectives urging an improvement in quality are being organized at a more accelerated rate too. One must be aware of and use their experiences everywhere in production organization and in shaping a really encouraging local wage policy. We cannot forget for a moment that we can expect future services from the majority of people only if they feel steadily and tangibly that the value of their work is recognized.

Only a direct interest in the efficient utilization of the means of production can develop the sense of responsibility that society expects from the workers or finds lacking among them. The correct interpretation of enterprise democracy and the equal acceptance of rights and obligations are based on this responsible attitude. We must achieve a situation in which workers find "it is worth it" to accept responsibility and intellectual effort. This requires more independence, adequate scope for maneuvering, and opportunities for action. These things can mainly be assured by a well-functioning workplace democracy.

We must also create conditions for eliminating and limiting contradictions between the available possibilities and the inadequate practice. It is possible to achieve a faster development of these conditions but the results are closely related to the improvement in material and moral encouragement, the honor of work well-done, rational and at the same time demanding work organization, the competence and responsibility of the economic leaders, and to a firm stand against negative phenomena like indiscipline, poor quality, and complacent management which disregards the opinion of the community. The properly operating forums of enterprise democracy can play a great role in shaping the public mood and in arousing and maintaining interest in public affairs. The trade unions must find a way of ensuring that workplace democracy gets even closer to the workers, eliminates indifference, and attracts and promotes public activity. It should make it worthwhile to identify, participate in, and join the decisions and accept the risks inherent in every decision.

We introduced the system of collective labor contracts after the liberation. We thought at that time, and we continue to claim today that the mutual acceptance of the obligation of collective labor contract is not only a legal form but also a moral issue; both sides must carry out the stipulations of the contract. It is true that, due to the irregularities deriving from centralized management, there is considerable formality in signing and implementing the collective labor contracts, too. In spite of this, the collective labor contract is an achievement and has always been a weapon of the workers movement. Especially now, when the enterprises have more opportunities of determining their tasks and conditions themselves on the basis of their work, new possibilities have emerged for collective labor contracts; they can reflect reality more closely and can encourage both enterprise management and workers more effectively.

It is the firm endeavor of the trade unions to achieve--based on enterprise results and in awareness of the goals of society--as favorable collective labor contracts as possible for the workers and to renew them regularly;

to take initiatives in matters of living and working conditions and at the same time to supervise the implementation of measures concerning these conditions; to urge the formation of the enterprise welfare, social, and cultural funds and participate in supervising how they are applied. Negotiations on harmonizing interests must be made obligatory in all important matters affecting the workers. The economic management must be persuaded more so than previously that social security and care is an enterprise interest and an important means of strengthening identification with the enterprise, and lack of it can become a risk factor in our economic activity.

The collective labor contracts must reflect the principles and goals which we want to follow in the entire people's economy. As a result of the differences in local possibilities, the matter of collective labor courageously represent the workers interests without forgeting about the goals and possibilities of society.

The situation of the enterprises today is already multifaceted and it will be even more different in the future. Therefore, the possibility of signing industrial branch general contracts is worth considering. It has not yet been decided whether this should be a collective labor contract or a guideline, but it is absolutely necessary to help the enterprises in different financial situations and to guide them in the determination of their tasks.

The Seventh 5-Year Plan Is a Program of Well-Founded Development

The adopted Seventh 5-Year Plan is more than just one among the mid-term plans. Its outstanding importance lies partly in the fact that it must lay the foundations and ensure the long-term development projects in the current difficult times, and partly in the fact that it must be suitable for the elimination of social tensions. The Seventh 5-Year Plan is a program of well-founded economic development of increasing pace. An important condition for its implementation is that the government bodies draw the conclusion of the internal and independent causes for the lagging behind in the Sixth 5-Year Plan in their practical activity. The trade unions are glad to help in this endeavor.

The trade unions regard the following main features as important:

--Based on the balance requirements, the economic development will gradually increase compared to the average of 1981-85, and the standard of living will tangibly increase;

--Domestic consumption will not decrease further but will increase at a rate that is first close to the national income and later reaches it, and at the same time, the proportion of the consumption in production will also increase;

--The foreign and domestic balance of the people's economy will continue to improve;

--The economy will develop on the basis of intensive adjustment to the changes in the world economy, a thorough improvement in export capacity, and an increase in efficiency. In order to achieve this, however, there must be gradual progress in increasing the economy, including production, technological development, and income producing capacity, and in the proportional modernization of the infrastructure.

--A more efficient employment than hitherto will be implemented. The trade unions regard the assertion of efficiency as important. We must create the necessary conditions for the release of manpower. Full employment cannot be impaired and we must find ways of linking the two factors. The implementation of the plan for the people's economy basically depends on the enterprise plans, the enterprises' work and their performance capacity.

--The most important thing is that the enterprise plans must become the useful internal compass of enterprise activity and part of the concepts in harmony with the goals of the people's economy.

The preparation of enterprise plans is not a new task and the trade unions have become very experienced in how they should participate in this project. Today, however, the importance of this task has considerably increased. An essential factor is the extent to which the independent enterprise plan contains requirements accepted by society as a whole, and whether, at the same time, it attributes adequate importance to the necessary changes in product structure, has enough initiative, stresses enough the increase in efficiency, the expansion of exports, and whether it fulfills the requirements of the workers in the areas of living conditions and social and cultural development. The entire collective follows these elements closely, and therefore, the trade unions must mobilize their intellectual capacity and experience, and assert their sober value judgement to make sure that the enterprise plans can live up to all these elements. The workers must feel that it is important to have a say in shaping the enterprise and their own destiny already during the preparation of the plans.

The country needs the development concepts that present the future as soon as possible. We must decide on how much to rely on our own development and how much on imported licenses, how to select technologies that can be adopted in our country, what are the hopeful goals, on what we should allocate our scarce financial means and what should be the extent of the scope for maneuvering with these means.

Ventures worth billions of forints of the state programs would mean much more to the millions of workers if these ventures were presented to the entire society as individual big programs. The people's way of thinking, the economic management, and training could be adjusted to such programs. We think of programs that are capable of penetrating the heart and spirit of the masses and which provide prospects that encourage actions for the development of their lives and individual goals.

Stressing these things, we must not forget for a moment that socialist society provides much more than material or technical goods. This system revealed the deepest human values ever of the moral content of society, and set as its goal the constant development of these values.

The current economic conditions hamper the accomplishment and clear-cut assertion of the moral norms of the socialist life. The signs of selfishness, of the rapid spread of acquisitiveness, and of distortions of the human attitude increasinlgy irritate honest workers. To make matters worse, there is often a lack of appreciation for well-done manual and intellectual work, of honor for the man who learns, and of positive atmosphere for people willing to act for the good of the community, things that are in harmony with the policy and principles of our society.

Each Should Prosper According to His Work

That is precisely why we must do our utmost to win public opinion over in protecting socialist mortal values, in shaping new values, in defeating disturbances of values, in appreciating work and income from work, in creating respect for learning and the man who learns, in strengthening humanity, solidarity, and family relations, and in safeguarding love for one's workplace and the values of the community and of the individual. We must make public opinion our ally in the struggle against negative phenomena too, because it is unacceptable for people to be indifferent to phenomena alien to our society and honesty and which damage all of us, such as hoarding, acquiring income without work, and attitudes that are an affront to public taste, or the destruction ofpublic property. It is our firm intention to preserve the rank of work, learning, human attitude, and responsibility for each other and society. At the same time we take a stand against unfavorable phenomena and for the prevailing positive practice. There is hardly a well-intentioned, community-feeling, and prevailing man who does not support the trade unions in this endeavor. Our society basically agrees with the fact that we must defend and increase our socialist moral achievements and general human values in the same way as our economic goods or cultural heritage.

Everyday life openly discloses the most disturbing problems awaiting solutions. The tensions in the system of distribution and incentives and in the wage policy, the problems related to working conditions, the housing shortages, the relative backwardness of services, as well as the low level of health care are a source of several and increasing tensions.

The trade unions must simultaneously press for the solution of tasks that have opposing effects. They must defend the consumer interests of the workers and employees. The individual interests are related to the highest possible wages and the consumer interests are related to the greatest possible amount of goods purchasable with the wages earned. Full employment must be preserved, and at the same time, we must urge the efficient employment of manpower, outstanding incentives for best performances, and improvement of the living conditions of social groups living in the most difficult circumstances. At the same time, economic processes--understandably--make it possible only to increase wages and improve living and working conditions in proportion with work efficiency. The creation of the necessary amount of goods, preserving the country's solvency--and in connection with this--the regulation of the domestic consumption concerning the amount of wages that can be distributed urge the trade unions towards restraint.

The attention of the trade unions is now focused on making sure that work honestly carried out ensures honest living conditions; that the real income of constantly good workers and of people who fulfill the requirements increases. Turning the economy towards intensive development and increasing society's performance capacity must be connected for the benefit of differentiation and income according to work carried out. We must not be afraid of dissatisfied people who--because they are comfortable and professionally unprepared or unambitious--are interested in egalitarianism, hidden unemployment, and an apparent manpower shortage. We must listen to and ponder the voice of the people who demand better conditions for work, for the benefit of progress, and who are calling for the rationalization and better organization of production. We should be ready to support those people who do not regard wages according to performances as merely a slogan but are ready to give more of their skill and knowledge. These people represent the real voice of a workplace and its best effort, so we must pay attention to them and rely on them first of all. With intelligent, well-prepared management and lively activity in our movement, we must help to solve the difficulties and local problems with initiative, increased activity, with a demand for and maintenance of order and discipline. It is unacceptable to allow people who are animated by healthy impatience and readiness for action for the good cause to lose in debates and conflicts.

One of the finest tasks of our moment is the correct and consistent representation of the ideal of equality. This is an attractive goal, and for many people one of the brightest elements of the commitment to socialism. Nothing should be given up or withdrawn from it but, at the same time, we must make it clear that this is a long-term task and that equality implemented in the course of socialist construction cannot be limited to the distribution of existing material values and goods.

The requirements and tasks of creating equality and material goods cannot be separated in our views and our propaganda. The assertion of performance is indivisible from distribution according to work and from social policy. Social justice demands from everyone to work and be able to prosper and advance according to the work carried out. Our society should in no way provide shelter to anyone who could work but is not willing to. We must make a difference between people who are in a disadvantageous situation because of their own indolence and people who are in a disadvantageous situation as a result of circumstances beyond their control. We should provide possibilities for work also for the people who are capable of work in spite of their old age.

For the benefit of these efforts, the income proportions and the possibilities of wage increases should considerably depend on the realization of performance requirements. We must strive more in the future for justice in wages according to performance. Surplus income should derive from activity that is useful for the enterprise and society.

We must pay more attention to the situation of employee groups and enterprises which are in an unjustified disadvantageous situation from the viewpoint of wages through no fault of their own. We must develop an optimal difference between the lowest and the highest wages because unjustifiably large differences can hinder incentive in the same way that the egalitarianism that develops in cases of real differences in performance can.

We must promote the increase in real wages in the future in a way that makes sure that, in case of increasing performance, the real wages of certain employees do not decrease, either. According to the trade unions, an increase in income that exceeds the consumer price increases must be achieved in a way that assures the lowest possible level of the dynamics of consumer price increase. We must halt the decrease in real wages both on group and individual levels and we must force the inflation rate down.

In the current and future phase of socialist construction, wages and incomes develop differently not only according to professional training, probation time and work conditions, but also according to enterprises. The principled basis of the differences is the different activity, and different market value judgement of efficiency in various enterprises. A selective increase in wages and incomes is successful only if there are measurable and real considerable differences in performance recognized also by the workers behind the differences in wages in various enterprises. If other factors, like unjustified price increases or dishonest economic activity, have a part in this, it is the responsibility of the trade unions too to take a stand against these factors.

The trade unions regard it as particularly important that certain strata of people living on wages and salaries and certain professions and sectors receive increased material appreciation if they have a key role in making enterprises, sectors, and the entire people's economy catch up with international standards. We must also encourage higher wages for the best of the technological-economic intelligentsia, foremen, and workers. More attention must be paid to providing better material appreciation for young people at the start of their careers, workers employed under difficult and unhealthy working conditions, and workers employed in sectors with unfavorable working time and schedules different from the usual ones.

We must promote also by means of our wage policy the retraining for and directing to appropriate jobs of workers who cannot be efficiently employed.

The system of instruments of wage policy--primarily income regulation, the system of tariffs, and the central wage increases--must promote a more dynamic wage system for efficient enterprises than hitherto. With these measures the wage policy must succeed in achieving a situation in which there is a chance for every enterprise or employee to obtain an adequate wage increase if there is need for its work or his.

The key industrial sectors that will help the people's economy to catch up with international standards, and the decisive areas in the system of the division of labor should be given priority. Their importance and the increasing amount to risk should also be reflected in the incomes. In addition to the improvement of wages and incomes, there is also need for a more concrete and more efficient system of responsibility--primarily among intellectuals, production organizers, and foremen.

We must not give up efforts for the improvement of income and wage relations in other areas, either, but we should achieve this--with a few exceptions--not by preferences but by differentiating incomes according to performance and by eliminating unnecessary posts, and by distributing the wages released according to performance.

In wage policy, a greater role and more weight must be given to target projects. Although at present it is not possible to do away with automatically allocated benefits, more importance should be attached to already approved requirements, and financially it must be made more attractive to learn several trades both in theory and in practice. Within certain industries priority should be given to work requiring higher quality training, as against the unqualified jobs in mass production.

In the view of the trade unions, it is necessary that state agencies begin drafting a wage policy that is more complex in analyzing requirements and demands, and more detailed in outlining the principles to be followed. The unions intend to participate actively in this.

Let Our Social Policy Be More Demanding and Just

The housing shortage continues to be a cause for tension in the policy concerned with the standard of living. This is so, despite the fact that many new and modern homes were built in the years after the liberation, and especially during the past decades. However self-evident it may be, it must again be reconfirmed that the allocation of homes continues to be a task which receives prominent attention in the national policy; this is because a dwelling is a necessity; a home is required for human dignity and for a full life for all segments of the population, regardless of age and profession.

It is our opinion that more homes should be built than at present, and through this it is necessary to improve the conditions of housing provision. Where possible, more council-owned apartments should be built. An opportunity must be created for enterprises to use the incomes they derive from voluntary work and communist shifts to ease the housing problems of their employees. One-time and continuous charges must be set in such a way that young working people and their families do not have to limit their realistic demands and their recognized necessities for the sake of obtaining a dwelling; that they do not have to take on extra work endangering their health, give up self-education, further education, and cultural activities if they want to solve their accommodation problems. According to the joint decision of the MSZMP Central Committee and the Council of

Ministers, further improvements have to be made to the regulations of accommodation and housing policy to make it more in accord with our economic and living standard policy targets and at the same time meet human considerations.

Another serious problem in our lives is price development. We urge and are helping the elaboration of a price system that is more suitable to our price policy principles and therefore, again and again, we must consider how we can influence the price movement. The fact that wages do not increase in line with price increases is a great burden. Another source of impatience is that the cost of living can be covered less and less by incomes and social benefits. Experience shows that price increases impose great burdens on or reduce the consumption of certain groups of society, and could also create significant problems in running enterprises.

Working out an economic policy to reduce the increase in the price index affects the basis of consumer protection and confronts the trade unions with new tasks. Price increases implemented by firms--in many cases unjustifiably--made consumer prices rise sharply. In order to stop trends that force up prices, SZOT also has a wide range of tasks in sociopolitical supervising activity. It has to play a more effective part in working out the instruments of economic policy and constantly checking their operation in curbing price increases. In the view of the trade unions, it is necessary to reach a point where measures introduced to stop price increases will not create a growing number of goods in short supply. There seems to be a justified demand for trade unions to be more concerned with the pricing policy of enterprises, to be more firm with regard to errors in judgement that rely exclusively on spontaneous economic trends to curb price increases, and to set prices that meet the interests of consumers and that are based on real investment costs and on the relation between supply and demand.

In a more difficult economic situation, when incomes are increasing less and consumer prices more than desired, social policy merits special consideration and assumes greater importance, because it plays an important role both in determining the conditions of employees and in shaping public opinion. Trade unions agree with the political effort which requires social policy to adjust better in the future to our economic potentials and to be more just with respect to society. Therefore, based on the 13th MSZMP Congress resolution, the trade unions consider it important that we:

--restore the real value of pensions,

--reduce the family burdens of raising children by way of social benefits,

--create employment everywhere for people of redefined working capacity, [megvaltozott munkakepessegu] and in relation to this, increase the enterprises' minimum social benefit for employees.

It must be clear that disadvantageous social conditions cannot be eliminated in the present stage of socialist construction, but their occurrence can be made infrequent and their burdens reduced. A grasp of the situation will not leave us helpless. On the contrary, it will accelerate the process of solving these problems, they had a right to prepurchase goods at sales, or if shopping schemes were organized for them, or if they were allowed to have a temporal advantage regarding weekly or daily special offers. Doubtless it would be more just if these opportunities--not just those relating to food products--could be legalized and differentiated on a case by case basis. This would mean a lot of work, but it would serve a purpose worth the energy dedicated to it. The trade unions are on the own increasing care for pensioners in financial and other ways, such as taking more care of dealing with everyday matters, safeguarding their health, and preparing many opportunities for employment.

Vacations have been an important part of trade union activities for decades. Working people consider vacation as one of the most significant socialist achievements. Accordingly, vacationing--in proportion to our financial capability--has developed in many ways, become more varied, and shifted toward convalescence holidays and family vacations according to the members' demands. At present, trade union vacation schemes are the most inexpensive mode of recreation for employees. Thus, the trade union movement is fostering a solicitous concern for maintaining these schemes and further improving them, including improvements regarding the distribution of holiday tickets. However, we have to face many problems; above all, costs are increasing rapidly due to price increases, and at the same time--due to financial reasons--the government is gradually reducing its contribution.

We would not only like to maintain the present number of vacations, but would like to improve it in such a way that prices will possibly remain the same. Our intentions are clear. We are trying to mobilize our internal resources, because this has already proved to have been helpful in the past. The main guarantee would be to maintain the level of the state contribution, stop its reduction, and increase it at a later stage, but in addition, we would also like to resort gradually to enterprise funds. At the same time, we cannot refuse to slightly increase the fees for vacations and to introduce some differentiation based on the quality of holiday resorts and the income of people applying for vacations.

Our socialist state has obligations that cannot be ignored, and the fulfillment of which cannot be disregarded in spite of the economic situation, however difficult it may be. The government reduced the contribution it appropriates for cultural assistance and only slightly increased its support for vacationing while--due to inflation--maintenance costs of our holiday resorts and cultural establishments increased substantially. Funds intended for holiday homes do not cover the cost of maintenance. During the past 4 years, maintenance costs of cultural establishments increased by some 30 percent and fees for performers, books, and technical equipment increased. In view of the present building costs, there is no hope for maintaining the conditions of educational establishments.

There has been a debate every year at conferences with competent government agencies over the extent of the state's contribution. We will suggest that the government ensure the stable value of cultural grants and stimulate the amount for vacationing for several years in advance. Unfortunately, for a long time to come neither the trade unions nor enterprises and the government will be able to provide a sufficient amount of money for vacationing. It also has to be considered that--precisely at this time—members' demands have increased substantially. Thus, as soon as the country's economic situation permits, we have to take more efficient steps to further develop the construction of holiday resorts and to improve the organized vacationing scheme.

It is impossible to avoid the task of improving the quality of health care. We support every public action that contributes to protecting health and improving patient care and health services. It is a natural and traditional task of the movement to nurse sick people at home, provide for the elderly, take care of them at home, and ease their financial, physical, and emotional burdens. In many fields of health care it is necessary to better utilize finances and existing possibilities, to provide human assistance, and to assert the acceptance of responsibility toward others.

Public collaboration can help us to advance in the prevention of diseases and reduction of dangerous phenomena and dangers to human health and the environment. It has been an integral part of trade union educational activity to develop and maintain a healthy way of life. The trade unions can do a lot through their regular and purposeful advisory activity for improving people's state of health, and for reducing such addictions as excessive smoking, alcoholism, and the spreading abuse of drugs. It is not only the interest of the individual, but of the immediate and wider community as well, to show determination against such dangerous addictions, because many people are ruined or unable to work due to physical and psychological deterioration, which is also the cause of innumerable wasted talents and broken families. Alcoholism and drug abuse are at the same time hotbeds of crime.

The basic interests and demands of working people remain unchanged: to improve working conditions, safeguard health and physical education, further develop working and living conditions, and increase their social security.

For the sake of their health and the prevention of diseases, employees should use the opportunities and equipment at their disposal for physical education and sport.

Through their activity in leading and shaping consciousness, trade unions are to take initiatives for helping and improving physical education, sport, and tourism. It will be the most important task of the coming years to consolidate achievements attained so far and to continually improve them according to national goals. The sport and touristic programs organized by trade unions are to suit the interest of the membership. It is desirable that these activities involve the mobilization of young people, families, socialist brigades, and the adult population.

We Increase the Movement Character of Our Activity

It is our duty to increase significantly our relationship with the masses and further improve the movement character of our activity. At the same time, relying on significant achievements, we must improve trade union activities. We have to attain strong progress in the work among social strata [retegmunka] and provide conditions for a manifold, independent, and initiatory activity at the level of basic organizations. It would be good if the 25th Union Congress made a decision to increase the movement character of our organization and internal operations and to strengthen our relationship with the membership and the millions of working people.

We have to seek--and together we shall find—a way to reduce the formal characteristics of our work and to diminish bureaucratic ties and the official aspects of our appearance.

We must achieve a situation in which the stewards, trade union committees, agencies at the intermediate level, and the branch trade unions in each case adopt, together with the members, a standpoint and a decision as regards the most important issues. It is necessary always to know the opinion and ideas of employees as regards possible solutions. It must become the norm to issue correct and constructive reports on matters discussed. These are all central elements of our work ethic. The members' knowledge of trade union activity is influenced to no small degree by our relying on and working together with the masses in shaping our everyday work, opinions, statements, and decisions. The most important thing is that the stewards always discuss the issues with the group beforehand. This work makes extra reports superfluous, and the joint activity helps to develop firm foundations for our movement, and a firm relationship with the masses, and is the way for them to identify with our aims.

In trade union groups, activity is to be based on independent work and initiatives involving all members. The goal is for the groups to form together suggestions concerning peace and social benefits, to decide together about the purpose and methods of the workers' competition, and analyze their performance on their own. The group should be entrusted with the work concerned with wages, work competition, discipline, behavior, encouragement of education, the acknowledgement of industrious people who are performing and studying well, and with providing assistance to less able people showing an effort to improve. This is the real, down-to-earth, and everyday mass activity, and at the same time it means organization and education. At all work places greater scope should be given for the expression of group and individual interests. It is necessary to make all the people concerned be completely aware of the complexity and entirety of and the need for coordination. If this is achieved, they will not feel that there is "higher" or "outside" interference in the process.

More attention should be paid to individual problems and everyday matters, and also to the shaping of individual ways of thinking, the changing of behavior, and to increasing general education. This should be especially so now, when requirements have grown amid our towering economic difficulties and in all spheres of our lives.

The members should have more opportunity than today to nominate and elect their own trade union leaders. In preparing personal assessments, preference is given to suitable training, independence, ability to initiate, and commitment. What is required is the further perfecting of methods to improve the mechanism of selecting and electing trade union leaders. There should be more emphasis on leaders' training, sense of responsibility, and competence. Small, competent, and independent apparatuses are needed. It is necessary to strive to have a situation in which independent leaders receive most of their support from the debates and work analyses of their own boards. This should also apply to constructive [erdemi] supervision.

Since more and more questions concerning the life and work of [words indistinct] important for basic organizations to effectively help employees work out their position. Basic organizations should not be left on their own in dealing with the enterprise leadership, which possesses the right to dispose all moral and financial means. Regional trade unions and central state agencies should provide more help in solving questions which affect public opinion (traffic, goods transport, health, education and so on). The latter bodies should assist local organizations by providing information, education, advice, useful decisions, and directives, and by taking stock of experience, as well as ensuring that local organizations can advance and reach the level resulting from enterprise independence. First of all, this will require a new and different type of work. For practical purposes it is desirable that branch organizations issue no rigid patterns for action, because such patterns would not serve well in view of the manifold and various forms of enterprise activities.

In the future it must be ensured that the stewards' activity remains the fundamental trade union function among workers. Trade union committees are to discuss with the stewards or the board of stewards the questions that apply to the entire collective. Wherever there is a board of stewards, in the future it should also be regarded as the highest authority of corporate trade union activity. Trade union committees must build up a system of regular business, a way to deal with, inform and educate the stewards. They should create better conditions for stewards and boards of stewards to work more effectively and constructively on behalf of employees and to be bolder in assessing the leaders' performance. If problems are more complicated, the solutions must take all aspects into consideration such as all economic, organizational, and human aspects alike.

Branch trade union organizations, county trade union councils, and the Budapest trade union council are to solve the tasks previously decided on jointly, individually within branches, responsibility, and according to suitable standards; they are to mobilize the know-how and capability of their activists, functionaries, and even of their entire membership as stipulated or suggested by the SZOT; and are to point out the rate and methods of fulfilling the tasks according to the particular characteristics of their area. Leaderships of central agencies are to help the basic organizations in their activities but they should not take upon themselves the entire operational management. They are to increase their role in exploring and representing the interests of their members. They are also to fulfill a kind of "legal supervision." It also serves practical reasons if branch organizations set up a staff of highly qualified experts both in the apparatus and within the network of social activists.

County trade union councils are to participate more extensively in drawing up and mobilizing the implementation of regional development issues. By doing so, they are to arrange suitable cooperation with industrial and branch trade unions and local trade union organizations.

The highest trade union authority is the SZOT. It fulfills the role of corporate management, assures the independence and responsibility of branches, provides conditions required for high quality work, and stipulates the movement's most important targets, duties, and the trend of activity. It is the duty of SZOT to adopt positions concerning questions of principles and the development of trade union work. It regularly prepares assessments of and disseminates practical experience. It is the national representative of all members in the country. It has a substantial part in drawing up economic, cultural, and political programs and in making decisions. In decision-making in the future it will rely more on the experience and information of branch trade unions, and prepare detailed analyses of specific problems related to individual branches.

Regional SZOT agencies coordinate the local activity of branch organizations. The rights and responsibility of local authorities are increasing and this will greatly affect the employees' living conditions. Therefore, regional representation of interests must be strengthened and this requires more rights for county trade union councils and intertrade committees.

Leading bodies are to base their work schedules, attitudes, and activities on valid decisions, and on the experience and demands of the masses. They are to increase the board members' analytical ability and willingness to debate matters, as well as to strengthen the creative atmosphere of board meetings. They are to concentrate on the tasks that lie ahead, and encourage views to be expressed in a new, demanding and responsible manner.

The trade union press must provide regular information for members; and gather, reflect, and pass on even to the government the opinions and problems of the membership. The SZOT Presidium has at its disposal a suitable decision concerning the system for passing information downward and reports upward, but the system is still being implemented irregularly, and often with a low standard and only formally. It is not possible to explain tasks and have them accepted and understood without a reliable degree of information, and without this information we cannot motivate people for action.

We must be bolder and more critical in representing the interests of minor groups. In order to display the manifold interests of employees, it is necessary to establish alongside leading bodies working committees, which would summarize and express within the trade union movement the interests of particular groups of employees. If we do not accept this task, or are not able to fulfill it, sooner or later interests will find other forms of representation outside the trade union. The SZOT needs voluntary assistants, who--as members of permanent class councils [retegtanacsok], or perhaps permanent or temporary working committees--possess the independent right of making proposals, assessments, and suggestions. Boards of professional experts and activists should form one kind of a guarantee for representing group interests. With the help of these boards, much more active and varied work should be carried out among intellectuals, young people, and major trades.

The Best Investment Is Know-How and General Knowledge

According to their vocation, organizations and movements that consider themselves responsible for the progress and state of society are to support the general education of the masses and the development of cultural life in accordance with our political line. The trade unions must consider the main features of our cultural life today and expect achievements, shortcomings, and other effects that can influence their cultural and educational activities. There must be a more determined effort to make this activity reflect the characteristics of their activities in other areas. In the future trade unions are to participate more effectively in shaping our cultural life, spreading culture, carrying out high-level and effective political propaganda and agitation, and providing help for self-education and for establishing small cultural and educational communities.

Difficulties that developed in the standard of living and problems of social tension were detrimental to public education and culture. In certain strata of the population increasing extra work and the low standard of services in some places reduced free time and the time available for general cultural activity and high-standard entertainment and recreation, while in other strata of the population, due to increasing financial problems, less money was available for cultural activities. At the same time, prices of cultural products and services increased, and this affected above all the employees in low-pay categories.

It coincides with these phenomena that the mental and emotional conditions for economic renewal could not fully develop among employees, and at certain points this proved to be an obstacle to expanding our economic efforts more rapidly. Our economic results are not as yet adequate for creating more financial resources for improving cultural services that are today confronted with high demands. Many of the demands--not only with reference to living standards, but to education as well--ran ahead of feasible and satisfactory standards.

Our nation's standard of political culture provides the guarantee for passing acceptable judgments and participate in the fulfillment of the approved political line. However, there is yet a lot to do to increase activities in political and public life. Our society cannot live without the workers' contribution to improving public life. It is important that within suitable limits and conditions--especially among workers--we further improve public activity and the readiness to engage in politics. We have to create and utilize a variety of more exact instruments for education, teaching, and propaganda in order to let workers use more boldly and efficiently the possibilities in public activity at their disposal and those that will still develop later.

Know-how, education, and an individual who is learning and advancing culturally are the most rewarding investments and the most profitable capital spending, because the profit returned will be a better understanding of labor and the general system of values in life, the pleasure of knowledge, and more human dignity. Knowledge is the treasure of the individual and society alike. We carry out a representation of interests in the most noble sense of the words if we subject our thinking and all our influence to this purpose. The more meaning we give our work and the more we master our situation and fulfill our role, the better we may serve the many millions of our membership, our society, and our people who are constructing socialism.

Though we are all aware of generally increasing demands for a better and more cultured life, we do find in many of the firms and institutions that work is of a low standard, that there are shortcomings in the work ethic, and that discipline is slack. As consumers, we require good quality, but as producers we let even meager-quality products leave our hands; regarding personal matters, everybody expects more attention from those who surround them, but at the same time many people are indifferent toward their fellow men and sometimes toward the life, situation, and problems of their families. It is obvious that these contradictions cannot be reduced and wiped out by merely shaping consciousness or issuing a series of measures. Their elimination will require complex collaboration and harmonious governmental and social activity.

In past years, while concentrating on solving other social tasks, we have paid less attention to developing the thought and feeling of belonging together both in the family and society which provide the basic influence on communities. Processes have developed which are in themselves very important, and could easily undermine the bases of all community sentiment and of human responsibility. Here are the roots of most of our problems as regards the education of youth, as well as many of the problems concerning working places and residential areas, the loosening relations between friends and colleagues, the deteriorating general norms of morality and behavior, and of our poor taste.

Traditions of the Movement in Vocational Training

Our whole educational, cultural, and artistic activity has been hindered and weakened by imperfect knowledge of history, decreasing interest in education regarding the mother tongue and literature, and by decreasing and overshadowed [hatterbe szorit] human resources that generally help develop moral, behavioral, and emotional culture. This problem became especially serious with regard to the current and the future generation of tradesmen. The above-mentioned shortcomings became most apparent in vocational training schools and institutes. It is necessary to find out the causes of this problem and at the same time work out the tasks that will help change this situation. Urgent action is needed, because the value and meaning of humanity and humanitarianism are all the more important. The socialist society must be built on the firm foundation of labor and humanity supporting each other. Even in the field of international life, the right to exist and the future belong to such humanitarian thoughts and ideas as the desire for peace, friendship among nations, and internationalism. We are convinced that a particular people can carry out successful activities in serving these noble ideas and humanitarian intentions only if it steels itself with a clear national awareness and realistic self-knowledge.

We are all aware of how the trade unions participate in handling the affairs of education, teaching, culture, and ideology. They help the activities of the party and state jointly with other social and mass organizations and by sharing these tasks according to their own characteristics. They will do so in the future too, but will have to be more determined in using opportunities that are inherent in the movement's character and in harmony with sociopolitical functions.

Trade unions are also a significant force influencing the working atmosphere and operational conditions of educational and art institutions and editorial officers. In the future trade unions will have to study more thoroughly demands regarding particularly important questions and matters which, above all, affect the great masses of working people; and they will have to express more clearly the position of trade unions and, of course, have to support the fulfillment of those demands that are considered justified and realistic enough. This activity presupposes improving our qualifications and developing our ability to adopt an overview. It is necessary to always represent our opinion on an adequate level in order to assume a more efficient role in shaping the policy of general education. It is an equally important task for us to further perfect and better operate the trade union movement's system of means, and form the activities and attitudes of the movement as regards education policy, general education, and art.

It is of national economic interest and, at the same time, a task of strengthening the cultural features of collectives that trade unions provide more help for socialist brigades, keep abreast of new tasks, and influence people more intensively among themselves and in the community as regards education and the shaping of attitudes. Trade unions are to help unfold and strengthen enterprise democracy with all possible means at their disposal. They are to provide help in increasing the role of particular working communities within enterprises, and are to express their views with regard to production, social, moral, and cultural questions directly affecting collectives and influencing enterprises.

With reference to our trade union press, we can do more to enrich the internal life of the movement and increase general education and artistic culture through the following: concentrating more on the use of information and propaganda means, and making a greater contribution with our schools, continuing education courses, research resources, and book publications.

Looking back to early traditions of the workers' movement, it is worth recalling that the movement--under completely different social and political conditions, and in addition to daily information and agitation work--was successful in influencing the workers' ideological and moral behavior in taste, life style, and more or less their entire life in the right direction; the movement was also able to create a more humanitarian and healthy working ethic. If we explored more deeply the everyday life, interests, emotions, and tastes of working people, we would certainly find important tasks for the movement which could make more natural the trade union's propaganda and public educational activity.

The society cannot reach the level we set as a target for the country's future economic and cultural progress, unless basic classes and strata of the population have reached a higher standard in their everyday life, taste, way of thinking, and behavior. Therefore, promoting this development is a task for the entire society, a matter for the whole nation which requires collaboration on a wide scale; we must keep this in view when we talk about education. In this context, the key issue is clearly a matter of increasing the professional and general knowledge of workers, reducing the existing discrepancy between trades and segments of tradesmen, and reducing the unjustified differences in the level and modernity of training.

Vocational training--at least of popular trades--cannot be considered satisfactory with regard to professional requirements. This situation is aggravated by the already mentioned insufficient general education and knowledge of the humanities, and by the poor level of teaching as regards general knowledge. All the shortcomings in training, teaching, and education hinder the setting of justified requirements for tradesmen. This must certainly be improved. Our movement must also set an example in this matter, just as it did in the past: We have to provide more help to responsible state agencies and, in certain cases, have to find a way of stimulating state organizations, employers, enterprises, and factories. It would be an important step if we could achieve all this through mutual efforts, to bring vocational students and most excellent tradesmen closer to each other during the period of training and practical work in factories. The subjects would be more realistic and attractive, and the contact made would be profitable, both professionally and in terms of human relations. The source of this profit can only be the knowledge, humanity, honesty in trade, and experience of older masters. It would serve to strengthen and improve the relationship of masters and youngsters if the trade union groups and committees in enterprises and factories were to exercise more decision making in appointing the trade instructor dealing with teaching and practical training. This position should not only be decided by the council authority, the school, or the enterprise administration, because in many places this is the reason why children are not taught by the best tradesmen. For young people the ties between an experienced, "old" tradesman and the workers' collective could prove a convincing example of the irreplaceable advantages of belonging to a community.

The intellectuals are playing a growing role in shaping the sense of belonging to a community and in shaping the cultural face of the residential environment. Corporate trade union bodies and regional trade union agencies have to do more to create a situation where lively public activity becomes a natural way of living among intellectuals, and of course, to make it possible for the trade union's cultural and general educational activity to find a firm foundation in professionally and politically committed intellectuals. The trade unions have to devote special care to ensuring the more reliable professional, political, and ideological development of intellectuals.

Our society does not rely on working people only as producers and consumers, but as well informed and politically educated citizens with a wide intellectual horizon. We must emphasize this today especially, when one of our most important political efforts is to increase the democratic features of our socialist society and extend democratic rights and opportunities.

An indispensable part of our cultural and public educational work will continue to be the spreading of the most important economic, political, artistic, and generally useful knowledge. We have to deal with this old task by searching for new methods and attractive opportunities. We must rely on the real interests of citizens and enterprises, and call upon this state of interestedness, because only thus do we find--can we find--any meaning and attain results in disseminating knowledge by means of the movement. We know from experience that there is no success otherwise.

We must strive not to separate the trade union movement anywhere from the cultural and general educational activity. Cultural activity should penetrate all segments of the working people, have the character of a movement, be free of bureaucratic elements, rely on voluntary work and independent initiatives, and have an organizational structure characterized by democratic principles.

One must consider the establishment--under the auspices of trade unions--of political-public activity clubs and groups that would provide more scope for increasing the public activity of greater masses of working people. Thus, working people would be given the opportunity and the chance to establish direct contacts, regular dialogues, talks, and debates with experienced, well-prepared personalities from public and intellectual life. This could strengthen the relationship between the trade union movement and intellectuals taking an active and responsible role in public activity and, at the same time, would promote the establishment and stabilizing of autonomous communities [kozossegek].

We are convinced that in our public and cultural activity we must rely much more on the interests and demands of working people. Concerning the content and methods of this work, we must get significantly closer to the movement's character and efforts, and must pay more attention to the tasks and demands of society and the nation.

The Basis of International Cooperation Is Knowing and Respecting Each Other's Work

A wide range of active work, as well as manifold and diverse relations are characteristic to the international activity of Hungarian trade unions. Above all, we develop close ties with partner organizations in socialist countries, but we also pay enough attention to the European capitalist countries and states of the developing world. Based on mutual interest, we intend to continue with cooperation, mutual understanding, knowing each other, and dialogue; it is our firm intention to declare always and everywhere--wherever necessary--the solidarity of trade unions and of the working people in Hungary.

Of course, our international activity is not undisturbed. At the end of the 70's and the beginning of the 80's, the "cooling down" of political relations also affected the trade union movement. The trade unions of several capitalist countries--not knowing exactly the opportunities and the work of the workers' movement in socialist countries--express unjustified reservations about our operation. The kind of behavior trade unions should adopt under extremely complicated political and economic conditions is also a matter of dispute.

The present trade union movement has experienced a crisis only through books. Today's trade union leaders were not in office at the time of the great world recession in 1929. Recent years have somewhat "spoiled" the trade union movement in capitalist countries. In most capitalist countries the situation was favorable at the time of the economic boom, and better partner relations were established with employers and governments. The strength and authority of the trade union movement increased and nearly everywhere it was able to attain significant achievements for its membership.

Concerning our international relations--but especially those with socialist countries--we have to deal more with the changes that have taken place in the role of trade unions in capitalist and socialist countries, because in this respect our theoretical work is weak, even though today it is the precondition for sensible and serious international dialogues. At present, problems are growing due to the economic and political situation in the world. The capitalists not only upset the consensus limiting their economic efforts, and which has already been uncomfortable for them, they also endeavor to break the strength of trade unions, reduce wages, radically cut public spending, and cut back the minimum central assessments on profits. The nightmare of unemployment is a warning to trade unions to present more moderate wage demands all over Europe, even in countries run by governments considered leftist. The shock of economic crisis, the feat of a more disabled economy and of complete economic collapse has turned the owners of small and large capital equipment, the capitalists, and in certain places employers as well, against the wage demands of trade unions.

In capitalist countries, several leading trade union officials admit that their successful strategy of the 60's, which in welfare states--by using the institutions of socialist partnership and cooperation--modified the distribution in favor of employees, have now proved to be a failure in the years of international economic crisis. Other difficulties were created by the changes that took place in the structure of capitalist societies. New working groups appeared due to technical development, while the number of workers in large industries, the traditional basis of the trade union movement, decreased. The trade unions had to admit that it is beyond their strength to undertake a change in government policy and again increase public expenditure. In short, the situation of trade unions has become more difficult in capitalist countries.

Today it is of great importance to coordinate trade union activity at one point--also internationally--in order to better serve the interests of members. However, to do this well enough, we have to decide our tasks with a clear understanding of the situation. Coordination will be truly undisturbed if we know and respect each other's principles. Today, no national trade union is able to set out its aims without knowing the situation, conditions, and interrelations of the whole of Europe.

Knowing each other's opportunities, we should set up mutual tasks together and act together accordingly. Taking only small steps, it would be possible to get out of the present difficult situation of trade unions both in capitalist countries and in our homeland. It would be necessary to use new methods, and in certain cases adopt a new course, because the trade union movement has become too pragmatic. The intellectual capacity is not sufficient, because what we read about the trade unions is almost exclusively written by bourgeois philosophers. This kind of low-tide reasoning and theory are not favorable for progress. We cannot even carry on an in-depth argument. We cannot explain our thoughts in detail and cannot express differentiated concepts. It is high time to urge onward intellectual life and overcome fainthearted reasoning.

We know that trade unions in developed capitalist countries bear a great burden of international tension. In any case, we must consider it a positive development that during the past half decade no step has been taken such as was the case with the breach in 1949. Our bilateral relations were not interrupted. These trade unions, despite their difficult situation at home, did not turn against the trade unions of socialist countries, including the Hungarian trade unions. As regards bilateral relations, Hungarian trade unions wish to expand relations with trade unions in capitalist countries. Since 1949, the greatest test of our relations has been caused by the Polish Solidarity. We let them express and explain their own views at all forums and congresses, but we defended and made known our own position as well. Even in this case, the condition for dialogue and for forming a possible mutual standpoint was and will remain a matter of understanding each other and of respect for the other's opinion.

Nothing is stationary, everything undergoes a transformation and we are living in years of change and challenge. The trade unions have to form a realistic image of the situation with regard to both small and global world problems and, in order to solve them, they have to assess the extent, ways, methods, and systems of their necessary efforts. International trade union centers and all individual trade unions have to adjust to new requirements. The international trade union movement also has to give answers to the questions put forward, and this can be helped by mutual consideration and collaboration.

I think relations can be improved if we openly discuss our own problems. A possible subject for joint consideration could be the method of harmonizing various aspects as regards efficient employment and the welfare aspects of part-time employment, flexible retirement age, and the social policy of enterprises. We think it would be especially important if trade unions were to cooperate and discuss issues concerning health protection of employees, as well as a healthy way of living, and cultural education. Useful cooperation could be established through the exchange of tourist groups, which could be accompanied by discussions about trade union tasks. Cooperation is to increase in order to discuss and spread the knowledge of theoretical problems facing the trade union movement. The knowledge attained in this connection could certainly help the development of a trade union strategy that could lead the fight and activity of trade unions more efficiently than today.

Instigating war-psychosis is an important aspect of anti-working-class, anti-trade-unionist attacks. Increasing the tension among states with different social systems--especially since the end of the 70's--is a method that is used to increase the pressure on trade unions under the pretence of calling for "national unity" in order to face some kind of "external danger." The cold-war atmosphere is also revived in order to cause division among workers' parties and trade unions and, by means of increasing military expenditures, attacks against workers' social and economic rights are more intensive. In the atmosphere of war-psychosis, it is easier to employ legislative methods and administrative measures for the sake of pressurizing trade unions and depriving them of their right to the most effective, penetrating forms of attack. The monopolies' offensive, the revival of rightist forces, the danger of militarism, and the attempts to halt the trends of detente interfere with the interest of not only the working class, but of the entire society.

The vital issue of trade unions is the battle for peace. The trade unions are aware that either war or peace is of vital importance to the whole of mankind; and they also know that the age of detente--contrary to the years of cold war--creates better conditions for their own battle and also for the mutual relations of various trade unions. A very fine example of this is the trade union solidarity rallies against Nicaraguan [as published] or, recently, against South African oppression, but here we can also list such mutual future tasks as improving the situation of women, youth protection, and the subjects of guest-workers and environmental protection. Trade unions could act together in combatting hunger, not only in Africa, but in all parts of the world, by using the organizational facilities and apparatuses of the international trade union movement, both in collection and distribution. This would increase the weight of trade unions in international politics, and at the same time would increase the authority of trade unions in developing countries.

As regards the international relations of Hungarian trade unions, just as before, great importance will be attributed to the trade unions in socialist countries--first of all in the Soviet Union--as well as to the World Federation of Trade Unions.

During its long history, as well as in the past 5 years, the World Federation of Trade Unions always played an important role in the daily struggle of workers and in expanding international solidarity. According to the 10th Trade Unions' World Congress, this body analyzed the fundamental changes in the 80's, and tried to renew its concepts, methods, and working style with the aim of increasing its work efficiency and of understanding more the everyday problems of employees.

We belong to those within the World Federation of Trade Unions who urge its renewal, and lash its slow mechanism and its occasional bureaucratism. We also support political renewal and flexibility. We support a high degree of independence in expressing one's opinion in debates, especially with reference to specific international political matters; but we relentlessly and steadfastly call upon all member unions as well as all other trade unions to act on a class basis in safeguarding the cause of peace, disarmament, detente, and above all workers' interests.

Let Us Join in Both Thought and Action

Many of the aims of old battles have been realized up to now. We are constructing a society which provides people with security, helps them develop, and constantly stimulates them to achieve more and to do something better. We have been working hard for our achievements and did not receive them as presents. What we are still able to achieve and create for ourselves depends on us and on the quality and efficiency of our work.

Socialism is the society of labor, thus, it is our aim to let everyone prosper according to his labor. Nobody should receive a higher income without, or with very little, work. It is necessary to create an atmosphere in which those employees and leaders whose performance is good, are honored and promoted, and in which people are ashamed if they do not exert themselves, and thus also face the financial consequences of their bad and undisciplined performance. We can and must debate on how we can distribute the produced goods; the quantity of produced goods, however, is not a matter of debate, but a factual matter decided by the administration and production. Therefore, assisting production is the condition for the trade union's role of representing interests.

Our tasks and problems today are not smaller but, in certain cases, even greater compared to those in recent years. Workers understand this. In order to stand our ground against increasing economic, political, and ideological pressures, and reduce our homeland's economic burdens, the struggle for better quality work and efficiency will increase. In this struggle the determining factor is the behavior, confidence, and performance of working people.

In their own area of competence, trade unions will help sensible and useful efforts that are able to serve our economic and social aims efficiently, and are able to create conditions and circumstances for establishing daily working hours and for providing for honest labor. It is of great importance to grant the workers' ideas attention and fulfillment if they apply to improving performance. There should be no workplace where irresponsibility, negligence, and waste are not criticized.

The way the social role of the trade union develops is inseparable from the trends within our entire society. It cannot run ahead, and it must not trail after events. Social conditions today are favorable for the trade union to fulfill its role, in fact, the conditions in our society urge the more self-evident emergence of the trade union's independent role. The movement is persistently looking for suitable means and methods of carrying out high-standard tasks.

In the struggle for our aims, we have to rely more on the strength of the membership. It is not enough to expect the membership to understand things and act, but their voice and opinion must also be regarded. All this requires honest and open debates, and needs the involvement of the members' masses in daily trade union activities. To unite in both thought and action is the appeal of the 25th Congress to all working people, to all who consider that the cause of our homeland, the cause of socialism and of other people, is their own cause as well.

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RCP COMMITTEE ASSESSES JARUZELSKI VISIT TO ROMANIA

Warsaw ZYCIE WARSZAWY in Polish 9 Dec 85 p 7

[Text] Bucharest (PAP). Maciej Kuczewski, PAP correspondent, writes of the proceedings of a meeting of the Executive Political Committee of the RCP Central Committee. During the meeting President Nicolae Ceausescu gave information regarding the working visit to Romania of Wojciech Jaruzelski, the first secretary of the PZPR Central Committee and People's State Council chairman.

The Executive Political Committee stated that the visit brought about a new and important event in the development of relations, friendship, and cooperation betwen the RCP and PZPR, as well as between the Romanian and Polish peoples. It was stated that discussions between the party and government leaders were fruitful and confirmed the desire for continued Romanian-Polish cooperation in political, economic, scientific-technical, and other areas.

Various points were emphasized such as the special importance of economic relations between Poland and Romania, the establishment of new forms and methods of cooperation beneficial to both sides, the advancement of production cooperation, and the growth and differentiation of trade exchanges. Within this context the importance of the recently signed protocol concerning the coordination of Polish and Romanian national economic plans was emphasized. The protocol foresees a growth in exchanges, cooperation, and production specialization between the two countries over the next 5 years.

The Executive Political Committee emphasized the importance of the exchange of views on current international problems by the two men, both of whom are government and party leaders in their own countries. The Executive Political Committee also emphasized the importance of the confirmation on that occasion of the Polish-Romanian decision to actively cooperate in the international arena toward solving the great problems facing humanity, to further control the arms race, especially nuclear arms, and to create the atmosphere of peace, security, detente, and cooperation in Europe and in the whole world.

Taking into consideration that which was agreed upon during the visit, the RCP Executive Political Committee recommended to the government, the ministries, and other central organs that all necessary action to correctly implement the Polish-Romanian partnership and cooperation agreement be taken. (P)

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SWEDISH IMMIGRATION BUREAU ADVISES RETURN OF BOYS

Warsaw TRYBUNA LUDU in Polish 7-8 Dec 85 p 2

[Article by Waldemar Kedaj: "The Polish Boys Should Go Home; The Final Decision Rests with the Swedish Government"]

[Text] (From our correspondent in Stockholm) The influential Swedish newspaper SVENSKA DAGBLADET published an article entitled "The Bureau of Immigration Wants to Send Polish Boys Home" in the Thursday morning edition. The story, also picked up by the evening television news program, reported the position taken by Thord Palmlund, head of the Swedish Bureau of Immigration, concerning the case of two juvenile "refugees" from Poland. The two "refugees" are 15-year-old Adam Z. and his 13-year-old brother Krzysztof. Mr. Palmlund acknowledged that "children not of legal age should remain with their legal guardians", in other words, with their parents.

Even while expressing that opinion, the immigration authorities did not, however, make a final decision. The final decision in this "sensitive matter", as they termed it, was left to the Swedish Government. According to paragraph 69 of Sweden's Refugee Law, the Bureau of Immigration may abstain from making such a decision if warranted by "special considerations".

Local newspapers have tried to inflate this unusual escapade to the north into a political sensation. However, doubts concerning the affair which began in October were not completely dispelled and thus brought to the attention of the Ministry of Labor. According to the SVENSKA DAGBLADET, more than 1,700 applications for asylum in Sweden are waiting for government review. Gerhard Wikren, director of the department of foreign affairs, informed the Stockholm newspaper that they have not yet reviewed the matter, because it was only received on Wednesday. However, he assured that a review will take place "in the most urgent manner possible."

The same newspaper has reported extensively the Polish Government's demands for the return of the two brothers, detained in Sweden contrary to international law. The newspaper also published the assurances of Jerzy Urban, media spokesman for the Polish Government, that the boys face no sanctions from the government and their schools upon their return. According to the reporter, the Swedish Ministry of Foreign Affairs has refused comment on the Polish Government's response.

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COMPARATIVE VIEW OF GOVERNMENT CONTROLS OVER ACADEMIA

Warsaw RZECZPOSPOLITA in Polish 4 Dec 85 pp 1, 7

[Text] USA, Sweden, India--University Autonomy Limits

Washington, Stockholm, Delhi (PAP) (C). The amended law concerning higher education, which has recently taken effect in Poland, and the resulting legal proceedings in universities present us with the opportunity to compare the university systems in other countries.

In the United States, for example, where there are more than 500 private and state colleges and universities, the basic source of academic laws, rules and regulations, by-laws, and academic-didactic programs are university councils. Membership includes representatives of practically all communities and "interest groups" connected with a given university.

However, the greatest characteristic of universities in the United States is that representatives of all institutions which donate funds for the upkeep of the institution have a degree of influence at the university. Thus, industrial corporations, banks, important financial institutions, and social organizations are represented. The influence on the choice of university authorities is proportionate to the financial contribution of these institutions. The same is true for individual contributors, known as funders.

Therefore, those deciding the personnel composition of university leadership are extremely varied. Not only someone from the ranks of professors but also a representative of the main funders can be chosen director.

In the majority of American universities, the president is chosen on a competitive basis. As a general rule one's academic and didactic work, and especially one's management and organizational experience are the deciding factors. Many times the so-called industry captains, people who possess enormous experience in managing huge business organizations, become university presidents.

In Sweden there is a system which is considerably more orderly and centralized in effect. According to Swedish legislation, all university workers, both academic and administrative, are considered government employees. The universities are "agencies", that is agents of the central authorities.

Therefore, they lack autonomy and their own jurisdiction. The limits of these institutions' autonomy, including academic, commercial, and financial-administrative matters, are precisely defined by regulations and resolutions of the parliament and the government, or by the local authorities if they are authorized to do so by the government.

Government authorities in India exert a direct influence on university activity. In the Indian system, the state governors or other high representatives of the government administration also hold the position of university president (chancellor). The university is run by the president through a vice president of his choosing. The central authorities go to great lengths to defend the universities from the influence of the opposition. It is for this reason that state governments dominated by opposition parties have relatively little influence, if any, in the appointment of university positions on a nationwide scale.

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SOCIOLOGIST DEFENDS YOUTH AGAINST APATHY CHARGES

Warsaw ZYCIE WARSZAWY in Polish 6 Dec 85 p 3

[Article by [M.K.]: "Voices from around the country--They Love Democracy, but..."]

[Excerpts] In the GAZETA POMORSKA Ms. Maria Mossakowska, M.A., a sociologist from the Academy of Social Sciences speaks of research on the topic of "The State in the Social Consciousness of Youth:"

--"I carried out research of a representative sample of youth age 15 to 19, from rural and urban backgrounds from all over Poland who were either studying or working.

From the questionnaire, it appears that in general, youth love democracy but are in favor of a wise leader with a strong personlity. They keep a great distance from all institutionalized democratic forms of administration. They are convinced that everything depends on those at the very top.

The input of citizens on the government is limited to the Sejm and People's Councils. Incidentally, the Sejm has the highest degree of trust, and is mentioned first in governmental democratic institutions.

In answering the question as to when Poles demonstrated responsibility for the country's fate, the majority mentioned World War II. The participation of the citizens in rebuilding the country after liberation, and people's attitude during the time of the crises, and martial law were not noticed to a large degree.

Youth are unable to distinguish a few concepts. 'Democracy', 'equality', and 'justice' mean more or less the same thing to my respondents. They cannot render these concepts into tangible aspects of our governmental system.

On the other hand, our youth markedly identifies with the nation. In response to the question "If you were to be born again, into which country would you like to enter the world?" Poland is mentioned ten times more often than the majority of countries from which they could choose. I think that this fact best refutes the damaging accusation of youth of being nihilistic and apathetic. We should blame ourselves rather for mistakes made in their education and upbringing."

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ACADEMIC SEES NEED FOR BETTER WORKER-MANAGER RELATIONS

Warsaw ZYCIE WARSZAWY in Polish 6 Dec 85 p 3

[Text] The following quote of Prof Stanislaw Polaczek of the Institute of the National Economy is from a conversation with Marek Formela, which appeared in the columns of DZIENNIK BALTYCKI on 29 November:

"A method must be found which would allow workers to indentify themselves with the workplace. I am an advocate of a decentralized economy, although in such conditions the business is still more inclined to think only of today's profits, and to forget such things as future prospects, technical progress, and similar matters. Not until there is a stable relationship between the workers and the workplace is it possible to avert economic shortsightedness and repair work productivity.

I wonder if it would be possible as our system evolves to create the opportunity for workers to possess stock in their companies and to participate in the division of profits. This does not mean that workers would obtain shares of stock gratis. Stock would be acquired gradually by the company paying the worker his portion of the profits in certificates stating his shares of company stock rather than in cash.

Of course, the majority of the company's stock would remain the property of the nation. However, in this way the workers would become co-owners of the company and collectively would be concerned about the company's future. At present, everyone from the director to the cleaning lady gives the impression that they have nothing at stake in the company."

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PAPER REPORTS ON KOMSOMOL, YOUTH IDEOLOGY SEMINAR

Warsaw TRYBUNA LUDU in Polish 9 Dec 85 p 3

[Text] The Youth's Outlook on Life

The Commission for Joint International Contacts of the Polish Organization of Youth and Students and the Leninist Komsomol held a ideology seminar a few days ago in the Baltic Youth Center in Sobieszewo near Gdansk. The seminar was dedicated to the formation of a Marxist-Leninist outlook on life among the young.

The organizer of the seminar was the Youth Center for Secular Culture, affiliated with main administration of the Union of Socialist Polish Youth and the Society for the Promotion of Secular Culture. We asked Mr. Zenon Wasilewski, director of the Youth Center for a few words on the topic of the seminar.

--As far as I know this was not the first seminar of its kind...

--In the past 2 years we have had five Polish-Soviet meetings devoted to issues connected with world outlook. During the last one we exchanged our experiences in the patriotic-internationalistic and atheistic upbringing of children and youth. Papers devoted chiefly to these issues were delivered. In addition, we talked of youth participation, both current and theoretical, in the implementation of the PZPR and CPSU programs and in the preparations for the upcoming congresses of both parties. We talked of utilizing the output of the 12th World Festival of Youth and Students. We devoted much time to the issues of rest and free time of youth. Thus, the program was quite full.

--The exchange of experience should serve a purpose. What purpose did it serve in this case? What is the tangible effect of the seminar?

--We presented the output and achievements of our Youth Center of Secular Culture to the participants who found the subject very interesting. They were also interested in the results of sociological research done by the Research Center for Youth Problems of the Union of Socialist Polish Youth's Main Administration and the Institute for Research of Problems of Youth of the Office of the Council of Ministers. They suggested that our center undertake a comparative analysis of results concerning changes in the world outlook attitudes of Polish and Soviet youth. That is one result of the meeting.

Further, we agreed that we will exchange educational materials, helpful in the dissemination of Marxism-Leninism. Our studies will be gathered among others by the Komsomol Academy in Moscow, Soviet studies will be sent to our center.

The participants were interested in propaganda concerning world outlook education. We showed mainly what the youth press is doing, which they liked. And while we are talking about the press we boasted of the award we received from TRYBUNA LUDU. They received this news with acknowlegement and... incredulity, because this award brings with it enormous dignity, especially since the center has only recently been active.

Returning to common interests, we in turn were interested in information on experiences in the field of secularizing work. Soviet comrades spoke interestingly on many subjects including the work young communists have done with believers. Information about Young Atheist Circles in schools in which the young members themselves and not outside leaders organize activities was also interesting. These activities are not just lectures and discussions but also meetings enriched by films, recitations, and similar things. It makes for an attractive formula.

While we are on the subject, the formula of our Polish youth circles of the study of religions is based on the Soviet method. We knew that somehow we had to do this but did not know exactly how. After a number of seminars we solved the problem without difficulty. Thus the results of the seminars are certainly not limited.

--This means that certainly you are going to continue with them...

--We decided at the last seminar that we are not only going to organize the exchange of groups of speakers, but also we are going to prepare further joint sessions. We want to devote the next sessions to such issues as ideological-educational work among working and peasant youth as well as among high school and college youth. Beyond that we intend to discuss new socialist organizational ceremonies.

The participants accepted the Polish proposal and began organizing an international session for next year entitled "Youth and Religion in Conditions of Real Socialism." Seven delegations from socialist countries will take part in it..

And because there can never be enough study and experience, we intend to broaden our contacts also. We are organizing for next year another bilateral meeting with representatives of the FDJ from the German Democratic Republic. In addition to that, we want to begin cooperation with the SSM organization of Czechoslovakia and the KISZ organization of Hungary.

Marek Rudnicki took part in this conversation.

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ACADEMIC QUOTED ON INTERRELATIONSHIP OF ECONOMICS, POLITICS

Warsaw POLITYKA in Polish 16 Dec 85 p 2

[Text] The following is a quote from Prof. Dr. Kazimierz Doktor, director of the Philosophy and Sociology Institute of the Polish Academy of Sciences:

"...is the issue of autonomy in the economic sphere. Our experience to date seems to indicate that this is one of the key issues. The question that remains is exactly what kind of barrier to create and where to place it in order to defend the economy against intruders and amateurs?

The search for such a clear line of demarcation between economics and politics is doomed from the start to fail. The two are too strongly intertwined in socialism. Thus, one can only undertake scientific research to find out how these two closely connected ones function and malfunction. On the other hand, public opinion would certainly rather the two spheres be separated further. In practice anyway, one can notice that the political apparatus has presently distanced itself somewhat from the economy--even if only because a political trade union apparatus did not exist for awhile. In addition, many positions of secretary for economic affairs do not exist even today. This situation is present in various organizational levels of the party. Even the party headquarters has slightly fewer cells dealing with the economy. Changes in this sphere have occurred. However, I do not think that it will ever come to a situation in which there would be two "pure" subsystems--economic and political--and one common system connecting the two." (From a conversation with Piotr Grochmalski in "Wprost" on 20 November.)

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RESEARCHERS EXAMINE SELF-MANAGEMENT ISSUES

Self-Management Examined

Warsaw ZYCIE I GOSPODARCZE in Polish 3 Nov 85 p 8

[Article by Pawel Ruszkowski: "In the Realm of Self-Management"; passages enclosed in slantlines printed in boldface]

[Text] In April 1985 the Public Opinion Research Center conducted a sociological study of the actual influence of the self-management bodies on the functioning of the authority mechanisms in enterprises. Those studied covered 334 randomly selected enterprises. In each of them the respondents were the chairmen of the workers' council, the directors, the first secretaries of the party organizations, and the chairmen of the union organizations.

This study produced much data on the range of the self-management's influence on decisions concerning crucial issues for enterprises, the range and form of cooperation with the other bodies in the enterprises and with the social and political organizations. It has established the social membership of the workers' council and evaluate the relationship of the particular socioprofessional groups in the enterprises to the self-management, the degree of the council's independence in making decision, the influence of the branch lobby on the range of the self-management's actions and competencies, and the forms of the self-management's cooperation between enterprises.

From this collection of issues analyzed in the study, we will select two, which we believe to be most important currently: /the range of influences and the forms of cooperation with other bodies and organization within the enterprise and the form of external cooperation./

The Range of Independence

The respondents sent a list of 29 areas essential to an enterprise and a request to describe what the self-management's role in decisions in these areas was in 1984.

In the opinion of their chairman (13.7 percent of the representatives) the councils have their greatest influence on the division of enterprise income into accounts (10.2 percent of the respondents), the method of distributing the profits for rewards to individual workers (15.6 percent), membership in an association (12.0 percent), disposing of machines and equipment (11.1 percent), financing technology and innovation clubs (22.8 percent), awarding medals and plant diplomas (12.6 percent), making recommendations on state awards (10.5 percent).

This influence is noted by the three other groups of respondents. With the exception of item number 6, 5.1 percent of the directors, 6.2 percent of the first party secretaries, and 7.1 percent of the trade union chairmen agreed. But they felt the council chairman overstated their case.

The self-managements had moderate influence on issues of production plans and other important production decisions (18.3 percent), the financial plan (13.8 percent), investment policy and modernization (12.9 percent), division of enterprise income into accounts (24.9 percent), the method of distributing profits for rewards to individual workers (23.1 percent), establishing work rules (12.9 percent), plant agreements on wages and work in the enterprise (19.5 percent), premium regulations (24.5 percent), the workforce's social and material conditions (13.8 percent), giving awards and plant diplomas (12.6 percent), making recommendations on state awards (15.3 percent), improving work organization (12.3 percent).

The council chairmen noted moderate influence levels in 17 percent of the enterprises, directors in 12 percent, first secretaries in 9.9 percent, and trade union chairmen in 8.3 percent.

Characteristically, /council activists rated their influence on the enterprise's functions higher than the other participants in the decisions./

The area beyond the councils' influence includes fields in which no decisions were made in 1984 or decisions made without their input.

In 1984 according to the council chairmen, in an average of 60.1 percent of the enterprises in the survey no decisions were made on such issues as naming a director (76.9 percent), naming assistant directors (56.3 percent), making significant changes in technology (63.2 percent), evaluating work norms (56.9 percent), use of mass communication (57.2 percent), cooperative agreements (55.1 percent), export agreements (55.1 percent).

There was agreement among the directors (53.2 percent), the first party secretaries (46.1 percent), and the trade union chairmen (43.8 percent).

The Range of the Directors' Influence . . .

The areas all respondents regard as the directors' domain include key strategic decisions in production levels, directions of development, distribution of incomes and profit, and external relations.

The conflict of directors' and self-managements' influence in these areas can be illustrated by the division of profits for individual awards. In 43.4 percent of the enterprises the council prepared its own proposal but only 15.6 percent of the councils' proposals were adopted. However, 23.1 percent settled for making corrections in the directors' proposals.

/The flow of information between councils and directors/ is crucially important for their relationship. An indication of good relations is the free flow of information about the enterprise's condition and the initiatives undertaken by both sides./ The clear majority of directors (79.4 percent) conveys all current information significant to the management of the enterprise to the council, but they do so--in the opinion of the council chairmen--according to their own views (21 percent) or on the express request of the council (36 percent).

The directors transmit materials for meetings at an appropriately early time 85 percent of the time; the councils provide the directors with information on their plans and projects in 88 percent of the enterprises. Directors do provide materials at the last moment preventing proper evaluation of them (39.3 percent).

The council chairmen stated that in more than half the enterprises the director or his representative participates in preparations for council decisions.

. . . party and trade union organizations

The interests of the party and the council cross in two issues directly and indirectly influenced by the council: giving awards and plant diplomas and making recommendations on state awards.

The council chairmen's answers to direct questions about other issues on which they asked for party help included in some enterprises: wages (9 percent), mutual contacts (6.6 percent), production (5.7 percent), social and material conditions (3.8 percent), and planning (3.6 percent).

Party representatives participate in council meetings in 58.7 percent of the enterprises; in 30.5 percent they participate at the council's request if the meeting includes issues of significant interest to the party; and in 5 percent (according to the first secretaries 6 percent), they do not participate and are not invited to participate.

The council presidium prepares material for meetings with the party executive's advice in 27 percent of the enterprises.

Mixed commissions with party representatives are active in 66.5 percent of the enterprises.

The forms of contact also show the party organization's method of influencing the council. /Informal contacts, conversations with council chairmen,/

play a significant role. The secretaries believe this is usually the case 85.7 percent of the time, and 61.6 percent of the council chairmen agree. Party members on councils are another form of informal contact. The secretaries said this occurs in 87.7 percent of the enterprises. The council chairmen agree (51 percent).

/In nearly one-quarter of the enterprises (23.4 percent), the party organization declines to exert direct influence on the councils. Their real representative of their interests on the self-management council is the enterprise's director./

Areas of conflict between the councils and the trade unions include the workforce's social and material conditions and methods of distributing profits for awards to individuals.

/Trade union representatives usually participate in all council meetings in 50.6 percent of the enterprises; in 39.8 percent they are invited to participate if the agenda includes issues of interest to the trade union; in only 3.9 percent they neither participate nor are invited to participate.

Mixed commissions with trade union representatives exist in 69.2 percent of the enterprises.

Trade unions communicate more formally (in writing) with the councils with greater frequency (59.1 percent) than the party organizations do. Official presentations of the trade union position at council meetings is required in 64.5 percent of the enterprises, which is the same as for party organizations.

At times the directors present the trade union position just as they do the party position to the councils. According to the trade unionists this occurs frequently or always in 22.2 percent of the enterprises.

External Relations

The dynamics of self-management depend primarily on the constellation of social, economic, and political factors inside the enterprise and near it and far from it.

/The absence of direct exchange of information between self-management councils of different enterprises practically prevents improving the system. Hundreds of councils commit identical errors, fall into the same legal, economic, or bureaucratic traps because what they know of others activities they read about only in the press (ZYCIE GOSPODARCIE, TYGODNIK ROBOTNICZY)./

Initiatives of the national councils to organize meetings between self-management councils, without proper acquaintance with the situation were taken as efforts to "cap" the local self-managements. Some of the activists fear contacts with territorial self-governments will lead to increased pressure for the enterprise to subsidize the city, districts, schools, nurseries, retirees, etc.

Efforts to increase cooperation under Sejm patronage are also worth considering. The commission on worker self-management has gained substantial recognition during the creation and activation of workers' councils. Perhaps smaller consultation meetings in addition to the national meetings would be appropriate.

The existence of a strong, active Sejm commission on self-management is one of the more important guarantees of the development of self-management according to the proposals adopted at the Ninth Party Congress.

Research Shows Self-Management Weakened

Warsaw POLITYKA in Polish 9 Nov 85 p 5

[Article by Jerzy Hausner and Jerzy Indraszkiewicz, researchers at the Economics Academy in Cracow: "A Little Ostentatious"; passages enclosed in slantlines printed in boldface]

> [Text] In 1984 there were calls to change the statutes on state enterprises and worker self-managements. These proposals caused concern among the activists in the self-governments. They remembered the negative effects of the changes made after 1956 in the regulations of self-managements. Officials declarations that the measures of 1981 would be retained were welcome.
>
> But . . .

The stabilization of the legal situation was accompanied by decisions in some administrative divisions /weakening the self-governments' position and limiting its prerogatives./ This was shown by the following:

/Creating new legal regulations/ whose contents conflict with the statute on enterprises and self-governments. The activists in self-government regard the statute on plant wage systems as an example of this situation. This statute, which makes the director and the trade union the partners in the wage agreement, gives the self-government a mere advisory role.

/Creating interplant economic organizations/ depriving the enterprises in them of their independence and their self-governments of prerogatives. This applies especially to mining and energy enterprises.

/Violating the binding regulations in practice/ Reports of violations by the various levels of the economic administration have become so common that the problem is being investigated by the Supreme Chamber of Investigations. This investigation showed that 18 percent of the enterprises investigated had violated the right of the general meeting of the employees (delegates) and 36.5 percent the workers' councils' prerogatives.

These facts were not reported appropriately in "Report on the Implementation of the Economic Reform in 1984." In our view, the report improperly assigns the problem only marginal significance. The self-management activists are unable to counteract effectively these actions. The self-governments possess formal legal protection of their rights, and the most effective method is recourse to the courts. /However, the self-managements seldom employ this method. As of 31 March 1985, barely 52 cases had been entered./

Why do the self-management activists accept weakening of their position? In our opinion, among the causes of particular significance are /the relationship between the founding body and the enterprise, the low level of the activists' legal knowledge, the lack of support for their actions be legal advisors, and finally pressure exerted on the activity who are professionally subject to administrative demands./

Another problem is the absence of self-government bodies. According to Prof. Baka's last report, /they did not exist in about 13 percent of the enterprises./ Since the workers' self-government is to exist statutorily and function in every enterprise, their absence in any enterprise violates current law.

Areas of Conflict

An important area of self-management activity is confirming annual and multiyear plans. The study shows, however, that the council's participation in planning is purely formal in most enterprises. /It consists primarily of accepting the general premises of the plan presented by the administration./

All too frequently, /current problems of enterprise operations predominate at the cost of discussion of long term solutions/ at the meetings. A similar approach occurs in the councils' monitoring activities. They deal with fragmentary, current questions and seldom involve comprehensive evaluation of economic efficiency.

The short term orientation and waiting for change from outside and above can be explained by the absence of effective methods of cooperation between the councils and administrations, problems with access to information, the lack of sufficient experience among council activists (which is caused by their short terms in office). These explanations, however, are insufficient.

A dependency relationship develops between the founding body and the enterprise, which although formally in accord with the reform in reality contradicts it. /The founding bodies exploit the parametric management instruments (for example, rate reductions) as directives. The enterprises in fact lose their economic independence and self-financing character, although formally they remain independent./ This significantly affects the self-managements' position and capabilities. Some activists are critical of the founding bodies' procedures, but these activists must remember the "criticized" can affect the enterprises' financial condition. Which is better: partial loss of independence--though guaranteeing the enterprise a better situation--or defending their independence--though losing significant support? This dilemma is especially apparent in the self-managements' attitude toward the founding bodies attempts to create large, interenterprise economic organizations. A delegate to the Fourth All-Polish National Conference of Representatives of Workers' Self-Management stated" " even if an enterprise is quite profitable and has a relatively high net profit in order for it to assure its workforce wage raises near a level balancing inflation, it must have rate reductions and preferences. And these are easier to obtain in a combine." The conference showed that many of the activists in self-management have decided in favor of reform, enterprise independence, and an important role for self-management. Will these activists yield to the realities of the world?--we cannot be sure.

Inevitable Opposition

/Cooperation of the councils with the party and the trade unions causes much controversy./ Establishing these relations requires everyone to take on new roles. The party and the trade unions must alter their traditional methods.

Observations confirm that party organizations are changing their methods in most enterprises. The members' interest in their enterprise's condition has grown; interest in affecting the consciousness is greater, but it frequently lacks the element of partnership and effective cooperation with the self-management. The Public Opinion Research Center's survey has shown that one-quarter of the party organizations have resigned from direct cooperation with the self-managements and act through their directors. Open conflict between the party and the self-management occurs infrequently.

/Relations between the self-managements and the trade unions are significantly complicated./ Many statements emphasize the unclear division of responsibilities as the source of the conflicts. This is an oversimplification. A number of conflicts exist between these organizations. /They are rivals for society's support and legal prerogatives; there are personality and prestige conflicts; they compete over the distribution of various services and awards in the enterprise, wages, and the operations and development of the enterprise./

The source of the first two conflicts lies in past political events. The increasing peace in politics and the development of the trade unions should cause the competition in political categories to disappear. The tensions caused by personality and prestige and the distribution of services can be relaxed by signing cooperative agreements between the councils and the trade unions. As yet few such agreements have been signed in the enterprises and the range of cooperation has been limited. This contributes to conflicts in the distribution of social funds and making recommendations on awards or trips abroad. The directors and party organization require an opinion from the trade unions, and these recommend only their members.

Distribution of the national income and wages are becoming increasingly salient issues./ The self-managements must strive to relate workers' wages directly to their productivity and work quality and to the enterprise's financial condition. They must also insist that the decisions be made in the enterprise. The trade unions, however, accept the branch's role, within which the decisions on wages and work are to be made./ This approach leads to group agreements as the basis for wage and benefits within the branch that are to be specified in social agreements within the enterprise.

Group wage agreements are the object of current analysis and preparation for legislative measures. The government has reservations about this union conception and wishes to avoid the further spread of branch social services and privileges. The self-managements' further opposition to this approach is natural. Adopting these measures would transfer economic authority to the ministries or associations, limit the enterprise's economic independence, and make them dependent on the founding bodies.

The last mentioned source of conflict must be evaluated differently. Taking into account the different status and functions of the self-managements and trade unions in the enterprise, which result from the dual role of the worker (as co-owner and employee), we must regard such conflicts as understandable.

/In conclusion, we believe that problems in cooperation between the self-managements and the trade unions result from the trade unionists slowly coming to understand their role in the self-managed enterprise and not a sign of their inevitable opposition./

False Evaluations

The intensity of discussion of self-management has declined. The opinion that they are developing properly is beginning to dominate, supported usually with arguments that there are a large number of activists, conflicts in their operation have declined, and the number of cases before the courts is small.

These arguments do not get to the heart of the matter. Rather, they concern secondary issues and conceal the real measures of the self-managements' position. /Such measures are, for example, their ability to require responsibility from the managerial staff, their influence on productivity, and the workforce's participation in self-management./ These aspects point toward a more skeptical judgment of self-managements' accomplishments and prospects.

As yet no self-managing attitude has developed among the workers. This failure is due to be many weaknesses in self-management. External factors play a more important role than the internal operations of the enterprise in producing the passive attitude./ The condition of the labor market, the imbalance on the market, and inflation seriously hamper the transformation of the workers' consciousness. They cause the workforces to disintegrate and weaken their interest in responsibility for the enterprises' financial condition./ The inflation distorts the merit wage system, which instead of raising productivity compensates the workers for inflation and stabilizes employment.

13021/12624
CSO: 2600/199

HISTORIAN QUESTIONS DEMOCRACY-HAPPINESS EQUATION

Warsaw POLITYKA in Polish 9 Nov 85 p 2

[Excerpt from "Opinions" column, taken from a conversation with Piotr Gadzinowski in ITD on 20 November]

[Text] Prof Dr. Jan Baszkiewicz, historian: "A democratic society is not the highest form of happiness. Those that say that it is less mobile are right. Theoreticians of democracy agree that this sytem is not efficient and quickness in decisionmaking is desired. Tocqueville, who understood democracy very well, explained that it does not provide the most efficient government, but it encourages a social liveliness, and a release of social energy that makes up for the various disadvantages of inefficient management. Mass participation in the social life strengthens society and prepares it for difficult hardships. At the same time it is a society that has much to lose and is able to fight energetically for the value system already in effect."

13073/12948
CSO: 2600/201

SCHAFF BOOK ATTACKED AS ANTI-POLISH, FALSE

Warsaw POLITYKA in Polish 23 Nov 85 p 2

[Excerpt from "Opinions" column, taken from NOWE DROGI, No 10, 1985]

[Text] Marian Dobrosielski: "I think that the significance of Schaff's views presented here is so clear to Polish party members that it requires no comment. Schaff boasts that his book has already been published in a few western languages. But by doing so his book contributes to the propagation and strengthening of negative stereotypes about Poland, Poles, and the establishing of socialism in our country. Stereotypes his book promotes were created by enemies of Poland and socialism. What is astounding in all of this is that the person who so openly warps the views of Marx, Engels, and Lenin has the audacity to call himself a Marxist and a Communist and also to maintain that this type of criticism and call for "renewal" serves Marxism and communism. I have never been one to use labels or slogans. However, I believe that complete justification can be found in the views and methods presented in Schaff's book "The Communist Movement at the Crossroads" when in finishing I state that it is anti-Marxist, anti-Leninist, anti-Soviet, anti-Poland and anti-party on the subject of the PZPR. If the communist movement were to follow the road shown by Schaff it would be misled and end up in a quagmire."

13073/12948
CSO: 2600/201

COUNCIL OF STATE DECREE ON MINISTRY OF FOOD INDUSTRY

Bucharest BULETINUL OFICIAL in Romanian Part I No 772, 27 Dec 85 pp 1-6

[Council of State Decree No 392]

[Text] DECREE OF THE COUNCIL OF STATE
on establishment, organization, and operation of the Ministry of the Food Industry and Purchase of Agricultural Products

The Council of State of the Socialist Republic of Romania hereby decrees the following.

CHAPTER I

General Provisions

Article 1. The Ministry of the Food Industry and Purchase of Agricultural Products is hereby established, as of the date of this decree through reorganization of the Department of the Food Industry in the Ministry of Agriculture and the Food Industry and the Department for Procurement Contracting, Purchase, and Storage of Agricultural Products, which are hereby abolished.

Article 2. The Ministry of the Food Industry and Purchase of Agricultural Products will implement the policy of the party and state in the area of the food industry and in the areas of formation, procurement, storage, and marketing of state stocks of agricultural crop and livestock products and formation and storage of state agricultural food product reserves.

Article 3. The Ministry of the Food Industry and Purchase of Agricultural Products will act as a central coordinating authority for activities in its sphere which are performed in units subordinate to other central or local state authorities and for the activities of cooperative and public organizations.

Article 4. The Ministry of the Food Industry and Purchase of Agricultural Products will direct, guide, and monitor the activity of the industrial central agencies and other units subordinate to it and will be responsible as plan administrator for implementation of the plan in its sphere of activity.

Article 5. The Ministry of the Food Industry and Purchase of Agricultural Products will ensure application in its activities of laws, decrees, and resolutions of the Council of Ministers.

Article 6. The Ministry of the Food Industry and Purchase of Agricultural Products will cooperate with the other ministries and central authorities and with local authorities in performance of the functions assigned to it.

CHAPTER II

Functions

Article 7. The Ministry of the Food Industry and Purchase of Agricultural Products will perform chiefly the functions established by the present decree.

SECTION I

Functions in the Area of the Food Industry

A. In Connection with Industrial Processing of Agricultural Crop and Livestock Products

Article 8. The Ministry of the Food Industry and Purchase of Agricultural Products bears full responsibility for the industrial processing of agricultural crop and livestock products, along with better utilization of raw materials and improvement and modernization of production technologies, for which purpose:

(a) It is responsible for carrying out the assignments of the unified national plan of socioeconomic development, at the established performance levels, and for drawing up and carrying out development programs in the sphere of the food industry.

(b) It ensures and is responsible for ongoing development of activities relating to industrial processing of agricultural products, diversification of food product assortments, and improvement in product quality, for the purpose of meeting the consumption needs of the population and other requirements of the national economy.

(c) It is responsible for superior utilization of agricultural raw materials, introduction of new technologies, lowering specific consumption, rational use of production capacities, and introduction of advanced methods of organizing production and labor, so as to increase labor productivity and economic efficiency in industrial processing units.

(d) It prepares development studies and programs for the food industry, taking into account trends and tendencies throughout the world in technical development; draws up draft annual and long-term plans, as well as special programs for products, product groups, and activities, on the basis of its own research and recommendations submitted by subordinate units.

(e) It elaborates programs for full and more efficient use of production capacities, and throughout the year monitors utilization of the equipment, plant, and labor of industrial units.

(f) It is responsible for sound management of the meat resources in state reserves, for ensuring the production of meat and prepared meat products, and for full and superior utilization of livestock products and by-products and production of a variety of meat products and prepared meats.

(g) It monitors the status of livestock slaughtering in slaughterhouses, irrespective of their subordination, and is responsible for compliance with the provisions of the law regarding slaughter weight and number of animals scheduled for slaughter in accordance with the plan.

(h) It takes measures to ensure development of processed and prepackaged prepared foods, on the basis of scientific nutritional standards.

(i) It is responsible for the industrial processing of milk and superior utilization of milk, and for preparation of dairy products with varied nutritional values in keeping with requirements for rational nutrition of different categories of consumers.

(j) It organizes, directs, and monitors fishing in the Black Sea and in oceans, as well as pisciculture and fishing in inland waters pursuant to law, industrial processing of fish and other aquatic products, improvement in the quality of processed fish products through strict compliance with manufacturing technologies and formulas, and increase in the amounts of fish processed and delivered fresh to the public.

(k) It ensures industrial processing of wheat and corn, organizes and is responsible for execution of the production of flour, bread, bakery products, pastries, flour pastes, and crackers, in broad assortments and of superior quality, while taking measures to ensure sound management of raw materials.

(l) It directs and monitors sugar beet production and is responsible for the manufacture of sugar and sugar and oil products; takes measures to effect ongoing improvement in sugar and oil production technologies in order to obtain higher production yields; and ensures elevation of the quality level of sugar products and improvement in the packaging and presentation of these products.

(m) It is responsible for industrial processing and superior utilization of vegetables, potatoes, fruits, and grapes in the form of partly and fully preserved products, ensuring constant diversification of product assortments and improvement in product quality; coordinates and is responsible for the production of juices.

(n) It ensures utilization through wine making of the production of grapes intended for industrial processing, taking measures to ensure application of new and improved technologies resulting in the production of wines of superior quality; coordinates, guides, and issues mandatory provisions relating to the production of alcoholic beverages and fulfillment of delivery obligations to state reserves; is responsible for production of beer in keeping with consumption requirements; is responsible for industrial processing of tobacco and ensures the production of tobacco and cigarettes.

(o) It is responsible for superior utilization of the agricultural food resources available to the national economy, through concentration of prepared food production in specialized units, and for organization of production on industrial principles, by outfitting factories with different capacities which manufacture the products required for commercial feeding, public catering, and collective consumption units.

(p) It coordinates and issues mandatory provisions relating to the production and delivery of wheat flour, corn flour, bread making products, pastry products, and other agroindustrial products made by units subordinate to local authorities; provides specialized technical assistance for such units and monitors the activities of mills operating under the prestation milling system.

(q) It coordinates and supports the development, within the framework of the unified agroindustrial councils, of new industrial facilities for economisound utilization of agricultural raw materials resources; organizes cooperation and association projects between industrial enterprises and agricultural cooperatives and develops departments of enterprises within the sphere of activity of the councils.

(r) It coordinates preparation of the plan for scientific research, technological development, and introduction of technical progress for all sectors of the food industry, and monitors and ensures implementation of this plan; is responsible for institution of the manufacture of new products, in accordance with the programs elaborated, for modernization of existing products, improvement of technologies, mechanization and automation of production processes and labor-intensive processes, and for lowering consumption of raw materials and intermediate products.

(s) It develops and applies new technologies ensuring the production and use of substitutes for critical and imported raw materials and intermediate products.

(t) It cooperates, on the basis of joint priority programs, with research and production units in agriculture to find new breeds or hybrids of livestock and plants, so as to secure for industry raw materials with a high content of useful substances and optimum processing qualities.

(u) It develops projects for standardization of technologies and structures for new facilities in all sectors of the food industry, monitoring the application of these technologies by all producers of foodstuffs, regardless of their subordination.

(v) It coordinates the process of generation and review of technical documentation for all food products, ensuring the inclusion in such documentation of technical requirements relating to quality, composition, rules and methods of quality verification, special packing, marking, and handling regulations, and special rules for protection applicable to the specific climatic and environmental conditions of the countries to which products are to be shipped, along with other parameters, as provided by law.

(w) It monitors compliance with the quality parameter level of technical documents which have been drawn up and rigorous application of such documents following their approval pursuant to law.

(x) It organizes, guides, and coordinates rational utilization and development of the national cold storage network.

B. In Connection with Procurement of Agricultural Crop and Livestock Products

Article 9. The Ministry of the Food Industry and Purchase of Agricultural Products is solely responsible for all activities relating to conclusion of contracts, purchase, and delivery of agricultural crop and livestock products to the state fund and the autonomous supply fund.

Article 10. In its capacity as the entity solely responsible for the activities of purchase, conclusion of contracts, and delivery of agricultural crop and livestock products, the Ministry of the Food Industry and Purchase of Agricultural Products may authorize the Central Union of Commodity Production, Purchasing, and Marketing Cooperatives to conclude contracts and purchase agricultural crop and livestock products, through the units of this union. The Ministry of the Food Industry and Purchase of Agricultural Products may also authorize other ministries and central authorities to conclude contracts for and purchase some agricultural products.

Article 11. The Central Union of Commodity Production, Purchasing, and Marketing Cooperatives and other central authorities are responsible, in accordance with authorization granted, together with the Ministry of the Food Industry and Purchase of Agricultural Products, for completion of tasks connected with contract procurement and delivery of agricultural products to the state fund.

Units which conclude contracts for and purchase agricultural products in accordance with an authorization received will conclude economic delivery contracts with customer units for the amounts provided in the plan.

SECTION 2

Functions in the Area of Formation, Preservation, and Utilization of the State Grain and Industrial Crop Fund

A. In Connection with Formation of the State Grain and Industrial Crop Fund

Article 12. The Ministry of the Food Industry and Purchase of Agricultural Products is responsible for formation of the state fund of cereals, bean crops, and oil-bearing seeds, for which purpose it performs the following.

(a) It organizes and ensures the conclusion of contracts with socialist agricultural units and other producers for delivery of grain and industrial crops to the state fund;

(b) it monitors the material basis of contracts for delivery to the state fund, location and cultivation of crops in the areas planned, procurement and use of varietal and hybrid seeds possessing superior biological properties, and execution of agricultural operations pursuant to law (preparation of the soil, sowing during the optimum period, compliance with plant density regulations, application of natural and chemical fertilizers in keeping with the program, control of diseases, pests, and weeds, and crop maintenance.

(c) It cooperates with the Ministry of Agriculture in evaluation of production of grains, bean crops, and oil-bearing seeds and in drawing up draft balance sheets for these products, to ensure complete formation of the state fund.

(d) It cooperates with the Ministry of Agriculture in organizing the harvesting of grains, bean crops, and oil-bearing seeds and takes steps to ensure that priority will be given to transportation and delivery to reception bases of proucts intended for the state fund.

(e) It ensures receipt of the full amount of grains, bean crops, and oil-bearing seeds delivered to the state fund under contract and by spot purchase, the amounts due the agricultural mechanization stations as payment in kind for work done for agricultural production cooperatives and other producers, and the fees due for milling services.

B. In Connection with Storage and Preservation of Grain and Industrial Crops

Article 13. The Ministry of the Food Industry and Purchase of Agricultural Products is responsible for reception, storage, and preservation of grain, bean crops, and oil-bearing seeds, for which purpose it performs the following.

(a) It effects suitable organization of reception bases and storage areas, making certain that the agricultural products received meet the requirements of law from the viewpoints of quantity and quality.

(b) It ensures reception, storage, conditioning, and preservation of agricultural products.

(c) It superintends performance of tasks connected with purchase of grain, bean crops, and oil-bearing seed from private citizens by cooperative units for production, purchase, and marketing of commodities and monitors the storage and preservation of products by these units.

(d) It monitors and is responsible for the condition of stored products from the viewpoints of quality and sanitation and takes measures to prevent any loss or deterioration.

C. In Connection with Utilization of Grain and Industrial Crops

Article 14. The Ministry of the Food Industry and Purchase of Agricultural Products is responsible for utilization of grain, bean crops, and oil-bearing seeds, for which purpose it performs the following.

(a) It ensures delivery of products from the state fund and verifies their utilization for the purposes established by the plan; proposes measures for reducing consumption and for conserving agricultural products.

(b) It ensures delivery of agricultural products for export, at the times and on the terms established by foreign contracts.

(c) It monitors and takes measures to ensure rigorous compliance with the provisions of law governing transportation and marketing of grain.

(d) It monitors use of products in agricultural production units for the purposes intended, as provided in the balance sheets, and procures undeclared surpluses for the state fund.

(e) It organizes and is responsible for maintenance of records on the entire amount of grain, bean crops, and oil-bearing seeds in the state fund and takes measures to make certain that this fund remains intact.

SECTION 3

Functions Connected with Formation and Preservation of State Agricultural Food Product Reserves

Article 15. The Ministry of the Food Industry and Purchase of Agricultural Products is responsible for formation and preservation of the state reserves of agricultural food products, and for this purpose performs the following.

(a) It ensures accumulation in state reserves of the agricultural food products necessary for efficient and timely satisfaction of needs of the national economy.

(b) It draws up proposals regarding the classified list, levels, minimum stocks, and annual and long-term plans for establishment of state reserves of agricultural food products.

(c) It plans and coordinates the activities of local distribution, warehousing, preservation, and refreshing of state agricultural food product reserves.

(d) It reviews the proposals of ministries and other central state administrative authorities regarding withdrawal of amounts of agricultural food products from state reserve stocks, either definitively or in the form of borrowing.

(e) It ensures the integrity and preservation of the quality characteristics of state agricultural food product reserves, establishing storage periods and taking measures to ensure refreshing of stocks.

(f) It issues mandatory standards regarding state reserves of agricultural food products warehoused both by units subordinate to it and by units subordinate to other ministries and central state administrative authorities.

(g) It proposes the construction of warehousing facilities in keeping with the rate of growth of stocks of state agricultural food product reserves and rational use of existing storage facilities.

(h) It cooperates with appropriate research units to establish conditions for protracted storage and preservation of state agricultural food product reserves.

(i) It draws up a revenue and expenditure budget for the purpose of financing, formation, and administration of state reserves and execution of investment projects.

SECTION 4

Other Functions

Article 16. The Ministry of the Food Industry and Purchase of Agricultural Products also performs the following functions.

(a) It ensures diversification of production and ongoing improvement in the quality characteristics of products with the aim of satisfying the needs of the national economy and increasing their ability to compete on the international market.

(b) It is responsible for elaboration and application of consumption standards for raw materials, intermediate products, and fuels, and takes measures to ensure ongoing reduction of material, energy, and labor consumption; ensures reclamation and utilization of reusable material and energy resources.

(c) It organizes the conduct of studies on the requirements of subordinate units for raw materials, intermediate products, and equipment; ensures balancing of the budgets for raw materials, intermediate products, semimanufactures, and finished products under its jurisdiction; draws up materials budgets for products for which it acts as coordinating agency.

(d) It is responsible for achievement of planned production and for reaching the other targets assigned to it in the unified national plan of socioeconomic development and the state budget, as well as in special programs, periodically informing the Council of Ministers of the progress made.

(e) It guides and coordinates activities connected with organization of production and labor in subordinate units; organizes activities connected with preparation, application, and monitoring of labor standards and norms for all categories of personnel in its sphere of activity; promotes introduction of modern methods and technologies in the organization of production and management of economic units.

(f) It is responsible for development of foreign trade and international economic cooperation activities in its sphere of activity, for which purpose it performs the following.

-- It draws up an export plan; formulates proposals regarding the long-term proportions, structure, and orientation of trade relations; is responsible for completion of the export tasks assigned to it and of international cooperation tasks in its sphere of activity.

-- It organizes and coordinates the activities of economic, technical, and scientific collaboration and cooperation with other ministries and central authorities in Romania and with foreign partners in its sphere of activity.

-- It ensures and is responsible for the application of international conventions and agreements relating to the activities of the ministry; superintends and ensures fulfillment of the obligations deriving therefrom.

(g) It approves order memoranda for new and modernized products and technologies under its jurisdiction, pursuant to law.

(h) It establishes circulating capital requirements for subordinate units, as provided by law.

(i) It analyzes the periodic balance sheets and reports of subordinate units and draws balance sheets and reports relating to the activities of the ministry as a whole.

(j) It draws up and executes, pursuant to law, the revenue and expenditure budget for the central administration of the ministry and subordinate budgetary units.

(k) It performs, pursuant to law, functions relating to prices and tariffs.

(l) It is responsible for application of the party and state policy in personnel and wage matters, for which purpose it performs the following.

-- It establishes uniform criteria for selection, training, advanced training, and promotion of personnel in its sector and subsector of activity and supervises the application of these criteria.

-- It establishes long-term personnel requirements and takes measures for the training of such personnel, pursuant to law.

-- It hires personnel for its own administrative apparatus; appoints the management personnel of the central agencies, comparable units, and other directly subordinate units, pursuant to law.

-- It organizes and ensures improvement in the training of management personnel and specialists.

-- It is responsible for the functions assigned to it in connection with integration of education with scientific research and production, and for coordination of the activities of units with twofold subordination in the area of preparation and implementation of annual research, development, and microproduction plans.

-- It participates in formulation of proposals relating to improvement in elements of the wage system, organizing the preparation of studies for this purpose.

-- It ensures uniform application of the the elements of the wage system on the basis of the flat rate principle, for the sector and subsectors for which it acts as coordinating agency.

-- It establishes, pursuant to law, labor safety measures and ensures the best possible working conditions for prevention of work-related accidents and vocational diseases in units subordinate to it.

-- It establishes overall measures for ongoing improvement in the working and living conditions of personnel.

(m) It is responsible for performance of other functions established pursuant to law.

Article 17. In the performance of its function as central coordinating authority, the ministry of the Food Industry and Purchase of Agricultural Products ensures the following.

(a) specialization, structural differentiation, and integration of production in all units within the the sector.

(b) cooperation between all units subordinate to it and those of other central and local authorities.

(c) collaboration with plan administrators in drawing up the draft sector plan, with the aim of ensuring balanced sector development.

(d) guidance and monitoring, for the sector as a whole, of rational use of means of production, introduction and extension of new technology, start-up of manufacture of new products and improvement of existing ones, ongoing improvement in product quality, increase in labor productivity, and lowering of costs, in accordance with the provisions of approved special programs.

(e) coordination, guidance, and monitoring of rational use of equipment and all production facilities, as well as fulfillment of the plan for construction, assembly, and repair of such equipment and facilities.

CHAPTER III

Organization and Operation

Article 18. The Ministry of the Food Industry and Purchase of Agricultural Products is managed by its management council, which makes decisions in general matters relating to the activities of the ministry; collective management of the operational activities of the ministry and assurance of implementation of the decisions of the management council are provided by the executive office of this council.

The management council of the ministry and the executive office of this council, which are deliberative bodies, are organized and operate in accordance with Decree No 76/1973 on the management of ministries and other central authorities of state administration on the basis of the collective leadership principle.

Article 19. The minister notifies the management council of the ministry of the principal problems solved during the interval between meetings of the council.

Article 20. The Ministry of the Food Industry and Purchase of Agricultural Products has as directors a minister, two deputy ministers, and two secretaries of state.

The deputy ministers and the secretaries of state are appointed by presidential decree, and their functions are established by the management council of the ministry.

Article 21. The minister represents the ministry in relations with other authorities and organizations in the country and in international relations.

Article 22. There is organized and in operation within the Ministry of the Food Industry and Purchase of Agricultural Products, in accordance with Decree No 78/1973, a technical and economic council which is a working body under the collective management authorities of the ministry.

Article 23. The Ministry of the Food Industry and Purchase of Agricultural Products has the following organizational structure:

(a) The Directorate of Purchase and Industrial Processing of Livestock Products.

(b) The Directorate of Purchase and Industrial Processing of Plant Products.

(c) The Directorate of Planning, Finance, and Prices.

(d) The Technical Directorate for Improvement in Technologies and Introduction of Technical Progress into the Food Industry.

(e) The Investment and Mechanical and Power Engineering Directorate.

(f) The Directorate of Foreign Trade and International Economic Cooperation.

(g) The Directorate of Supply and Transportation.

(h) The Directorate of Organization, Personnel, Education, and Wages.

(i) The State Inspectorate for the Food Industry and Purchase of Agricultural Products.

(j) The General Economic Directorate for Purchase of Agricultural Products.

(k) The Legal-Arbitration Office.

(1) The Administrative Secretariat Department.

The organizational structure, by individual work sections, and the maximum number of personnel in the administrative apparatus of the ministry are as indicated in Annex No 1 and Annex No 2 hereto (these annexes will be forwarded to the institutions concerned).

The functions and standards of operation of the sections specified in the first paragraph are established by the management council of the ministry, as provided by law.

The General Economic Directorate for Purchase of Agricultural Products operates on the principle of autonomous economic and financial management. It has the status of a legal entity and performs the functions assigned by law to central agencies.

Article 24. The Ministry of the Food Industry and Purchase of Agricultural Products has subordinate to it industrial central agencies and units comparable thereto, enterprises, scientific research units, other units, and special lyceums and vocational schools for training specialist personnel.

Article 25. The Ministry of the Food Industry and Purchase of Agricultural Products has directly subordinate to it the units listed in Annex No 3.

Article 26. For the purpose of unified coordination of the activities of industrial processing and purchase of agricultural products, there are organized in the districts and in the City of Bucharest councils for industrial processing and purchase of agricultural products subordinate to the Ministry of the Food Industry and Purchase of Agricultural Products and to the executive committees of the people's councils of the districts and of the City of Bucharest.

CHAPTER IV

Final Provisions

Article 27. Enterprises for contract procurement, purchase, and preservation of agricultural products are also subordinate to the executive committees of the people's councils of the districts and of the City of Bucharest.

Article 28. For the purpose of monitoring creation of the state fund, there is in in each enterprise for contract procurement, purchase, and preservation of agricultural products a state representative section with one or two personnel positions for each unified state and cooperative agroindustrial council.

The duties of a state representative are comparable to the duties of chief inspector first class and second class of the district inspectorates for product quality control as specified in Annex No VI, Chapter IV, Section A2, of Law No 57/1974.

Article 29. The Ministry of the Food Industry and Purchase of Agricultural Products is provided with four passenger automobiles for its own common motor pool.

Article 30. Personnel who are transferred from the Ministry of Agriculture and the Food Industry and from the Department for Contract Procurement, Purchase, and Preservation of Agricultural Products to the Ministry of the Food Industry and Purchase of Agricultural Products are considered to be transferred in the interests of the service.

Article 31. Personnel who are transferred in the interests of the service or are transferred in the same unit to positions at lower pay levels, and personnel who are rendered surplus as a result of application of the present Decree, are entitled to the benefits provided in Article 21 of Decree No

162/1973 on establishment of uniform structural standards for economic units.

Article 32. The provisions of Decree No 367/1980 relating to measures for rational use of personnel in socialist units, the applicability of which was extended by Decree No 451/1984, will not be applied until 31 March 1986 to positions in units to and from which personnel are transferred as a result of the provisions of this decree.

Article 33. Within a period of 30 days from the date of entry of this decree into effect, the State Planning Committee and the Ministry of Finance will submit for approval, on the basis of recommendations by the ministries concerned, changes in the economic and financial plan indicators and in the volume and structure of the state budget, together with the effects resulting from application of this decree.

Article 34. Annexes Nos 1-3 form an integral part of this decree.

Article 35. Decree No 420/192 on establishment, organization, and operation of the Department for Contract Procurement, Purchase, and Preservation of Agricultural Products, and any other laws and regulations conflicting herewith, are hereby rescinded.

NICOLAE CEAUSESCU
President of the
Socialist Republic
of Romania

Bucharest, 16 December 1985
No 392

6115
CSO: 2700/88

FARM PRODUCTS COUNTY COUNCILS SET UP

Bucharest BULETINUL OFICIAL in Romanian Part I No 77, 27 Dec 85 p 8

[Council of State Decree No 401]

[Text] DECREE OF THE COUNCIL OF STATE
on Organization of Councils for Industrial Processing and Purchase of Agricultural Products in Districts and the City of Bucharest

The Council of State of the Socialist Republic of Romania hereby decrees the following.

Article 1. For the sake of uniform coordination of the activities of industrial processing and purchase of agricultural products, there are hereby established in the districts and in the City of Bucharest councils for industrial processing and purchase of agricultural products, which are local specialized bodies subordinate to the executive committees of the district people's councils and the people's council of the City of Bucharest and to the Ministry of the Food Industry and Purchase of Agricultural Products.

Article 2. The councils for industrial processing and purchase of agricultural products perform the following functions.

(a) They are responsible for completion of plan assignments by agricultural crop and livestock industrial processing units and for implementation of autonomous supply programs at the level of each district, andd for taking measures to ensure satisfaction of the needs of the local economy and the consumption requirements of the public.

(b) They take measures and are responsible for development of production in food industry units and in other units engaged in industrial processing and treatment of agricultural products and take measures for diversification and improvement in the quality of these products.

(c) They are responsible for superior utilization of agricultural raw materials, for rational and full use of manpower and production facilities, and for introduction of advanced methods of organization of production and labor, with the aim of constantly increasing labor productivity and of reducing material and energy consumption and of cost per unit product.

(d) They supervise and monitor rigorous compliance with the production technologies and formulas elaborated pursuant to law, and take measures to strengthen responsibility, order, and discipline in administration of material and monetary resources in each unit.

(e) They support development, within the framework of the unified agroindustrial councils, of industrial capacities for economically efficient utilization of agricultural raw materials resources; organize cooperation and association projects between industrial enterprises and agricultural cooperatives and develop departments of enterprises in the sphere of activity of the councils.

(f) They monitor livestock slaughter conditions and are responsible for compliance with the provisions of law governing the slaughter weight and the number of animals scheduled for slaughter.

(g) They organize and ensure conclusion of contracts for and delivery of crop and livestock agricultural products to the state fund, at the level of the plan targets; take measures to provide guidance and support, pursuant to law, of socialist agricultural units and other agricultural producers in achieving the production provided by contract, and also to ensure coordination of the activities of industrial processing units with those of agricultural units supplying raw materials.

(h) They are responsible for full execution of export assignments, from the viewpoint of assortment structure and the quality conditions required on the foreign market, by agricultural product processing units within the area under the jurisdiction of the councils.

(i) They prepare studies and programs relating to the proportions, levels, rates, and ways and means of future development of production in agricultural product processing units; ensure elaboration of local plan proposals for the food industry.

Article 3. The councils for industrial processing and purchase of agricultural products cooperate with the general directorates for agriculture, the district unions of agricultural cooperatives, the unified state and cooperative agroindustrial councils, and other local state and public authorities which perform functions in the sphere of agriculture, the food industry, and purchase of agricultural products, for the purpose of ensuring ongoing increase in agricultural crop and livestock production, deliveries to the state fund and the autonomous supply fund, development and diversification of the production of food industry units, and elevation of the quality level of agroindustrial products.

Article 4. The councils for industrial processing and purchase of agricultural products will be organized at district industrial meat processing enterprises and at such enterprises in the City of Bucharest.

Article 5. The number of personnel positions and the classified list of positions in the administrative apparatus of the councils for industrial processing and purchase of food products are indicated in the annex hereto, which forms an integral part of this decree. (The annex will be forwarded to the institutions concerned.)

NICOLAE CEAUSESCU
President of the
Socialist Republic
of Romania

Bucharest
21 December 1985
No 401

6115
CSO: 2700/88

SCIENCE AND TECHNOLOGY **ROMANIA**

ROLE OF SCIENTIFIC RESEARCH IN IMPLEMENTING ENERGY PROGRAM

Bucharest ERA SOCIALISTA in Romanian No 24, 25 Dec 85 pp 5-8

[Article by Eng Lucia Rosca, general director of the Central Institute for Energy Research, and Dr Eng Mario Duma]

[Text] Nicolae Ceausescu said, "We must continue to concentrate on the energy problem and work to secure the regularity of activity from the first year, but with minimal energy inputs and consistent application of the measures adopted for that purpose."

Intensive development of the national energy base is a major component of socialist industrialization and of the entire task of building the new order. The party and its general secretary Nicolae Ceausescu consider it the role of energy engineering to support the rapid growth of industrial production, development of transportation and telecommunications, technical modernization and intensification of agriculture, and implementation of the investment and construction program, all accompanied by steady growth of labor productivity and economic effectiveness through constant improvement of the energy equipment of labor in connection with mechanization and automation of the industrial processes.

In the years since the Ninth Party Congress Romania has made increasingly intensive use of its energy resources. The steady progress of Romanian energy engineering has been achieved with the support of the other economic sectors and of society as a whole, which have provided the equipment, technologies, materials, constructions, transport means and manpower essential to that sector, and with the growing contribution of Romanian planning and development to the design and construction of energy capacities and to the greatest efficiency of the energy processes. Procurement of energy resources is in the center of the RCP's and its general secretary's attention, and it is and has been closely correlated with a policy of their efficient exploitation and prudent, rational use of energy in the processes consuming it.

On the basis of his far-sighted interpretation of the requirements for the socialist economy's rapid growth and Romanian society's all-around progress and according to a penetrating analysis of the phenomena and the current and long-range trends, Nicolae Ceausescu outlined and determined the main directions of the development of Romanian energy engineering, in the light of which the specific aims and measures were determined that are provided in the Program-Directive for Energy Research and Development approved by the 12th RCP Congress, in the programs adopted by the National Party Conference of 1982, in the Directives of the 13th Party Congress, and in the Program for Technical and Qualitative Improvement of Products, Reduced Consumption of Raw Materials, Fuels and Energy, and Better Use of Raw Materials and Materials.

The strategy of accentuating the qualitative and intensive character of the economy and the goals set by the 13th Party Congress for the 1986-1990 Five-Year Plan and up to the year 2000 in the long range inherently require the continued steady progress of energy engineering. In his address to the Congress on Science and Education the party general secretary spoke of the tasks of scientific and technical research in the present stage, pointing out that "Special emphasis will be placed on implementing the energy program. To this end scientific research must play a major role in the improvement and efficiency of the national energy system, in order to increase productivity and cut the losses in transportation of energy. Unremitting efforts must be made to put the nuclear-electric power plants and the various energy sources into production and the search for new energy sources of great promise must be intensified."

The Program for Scientific Research and Technological Development for the 1986-1990 Period, ratified by the Congress on Science and Technology, assigns all workers in the national energy system tasks of vital importance to procurement of the energy base and its most rational use. The priorities for the best implementation of the national energy program are increased reserves and output of primary energy resources; efficient operation of electric power plants and especially the coal-based ones; activation of the nuclear-electric power plants and the coal-based or hydroelectric power plants under construction; development of technologies to make use of new energy resources, solar energy, wind power and geothermal energy as well as biogas and biomass; recovery of reusable energy resources, and reduction of energy inputs through application of new and perfected technologies and manufacture of high-quality products that will permit better use of Romania's raw material, material and energy resources. As Nicolae Ceausescu pointed out at the recent Plenum of the National Workers Council, "We must work with the greatest determination for the efficient operation of the electric power plants and for production of coal, petroleum and other energy sources, and we must constantly carry out the provisions of the 1986 plan and the whole five-year plan for development of the energy base, which will provide for proper satisfaction of the energy requirement by 1990 and for Romania's further development as well."

As it says in the Decision of the Congress on Science and Education, "Energy is one of the major problems of the next five-year plan. If the planned objectives are to be accomplished, supply of production and all socioeconomic activity with energy is critically important in the present stage and in the future." Accordingly scientific research in general and energy research in particular have an essential part to play in solving the major current problems and also in sound preparation for future development.

In the five-year plan that is coming to a close the efforts of the Central Institute for Energy Research have been concentrated on increased electric power production based on low-grade fuels and securing the operation of the coal-based power plants, reducing consumption of hydrocarbons, better use of the water power potential, and assimilation of new materials and products to replace or reduce imports. Despite the progress we have made in these directions, our institute's contribution to the efficiency of the national energy system has not been commensurate with its material base and human potential. We must work better and more responsibly together with the other units of the Ministry of Electric Power to secure the output of heat and electric power essential to the economy. It is also our duty to further involve our research and design work, in close interdisciplinary collaboration with the specialists in other sectors, in the efforts to replace the energy-intensive technologies and to promote the most efficient ways of using the energy resources.

Greater Efforts To Make Coal-Based Power Plants Efficient

The most efficient operation of the power plants based on low-grade coal is now the priority aim of Romanian energy engineering. Although construction and activation of nuclear-electric power plants will gradually become vitally important, proper operation of the coal-based power plants will continue to be a major concern.

As a matter of fact coal is the first alternative in Romania and throughout the world as well for conserving petroleum and the natural gases. Therefore when a given total power output is planned any shortfall of coal-based electric power directly affects socioeconomic development as a whole.

The Directives of the 13th Party Congress concerning Romania's socioeconomic development in the 1986-1990 Five-Year Plan and the long-range objectives up to the year 2000 call for an electric power output based on coals and bituminous shales amounting to about 38 billion kilowatt-hours compared with 21.5 billion kilowatt-hours, or a 76 percent increase. In 1990, out of the total power output planned to be 95-97 billion kilowatt-hours 39-40 percent will be based on coal and bituminous shales compared with 30 percent in 1984. These major gains as well as the necessary deliveries of heat are to be secured both by increasing the potentials and operating safety of the coal-based power plants and by building and activating enough new lignite-based heating plants and heat and electric power plants in a number of urban centers. Of course this broad program requires sustained efforts to solve some very complicated and diverse technical problems.

At present continuous operation of the 330 milliwatt heat and power units at the Rovinari and Turceni heat and electric power plants is an effort that concentrates major technical forces on the measures and tasks assigned by the party and state administrations. As a unit that combines all the research and design in the Ministry of Electric Power, the Central Institute for Energy Research is directly responsible for failures in the operation of the two heat and electric power plants and in the supply of electric power needed by the national economy. Our institute has not been sufficiently firm and persevering about rapid testing and subsequent generalization of some of the measures designed for this purpose, with a retarding effect upon modernization of installations in the coal-based heat and electric power power plants.

If we are to contribute more to the efficiency of these power plants, we must work well and responsibly to avoid any delay in performing our tasks and we must collaborate more closely and efficiently with the researchers and designers in the heavy equipment and metallurgical industries, the Ministry of Mines and the Ministry of the Chemical Industry, with builders and fitters and with operators in order to find better procedures and technologies for more efficient and safer operation of the installations. It is primarily a matter of measures for the efficient operation of the coal mills, gas fans, feed pumps and water and steam fittings, assimilating special steels for high-pressure conduits, determining the right procedures for maintaining the rubber conveyor belts, etc.

It is the duty of our researchers and designers to help the miners and heavy-equipment builders to solve the main problems of securing the quality of the coal by making it more homogeneous and its heating power more stable. The technical studies and measures to improve the quality of lignite are very important in this respect. A first pilot installation to enrich lignite has been produced and is in an advanced stage of testing. And jointly with the researchers and designers in the units of the Ministry of the Electrotechnical Industry, we are about to make a radical improvement in the reliabilty of the engines and other electric and electronic equipment and apparatus installed in the electric power plants and networks.

In general, the further operational safety of both the main and auxiliary power installations has a critical part to play. This requires high-quality materials and equipment, perfected technological procedures and systems, and construction, installation, operation and maintenance on a high level of professional competence and civic awareness and sense of responsibility. To that end it is our institute's duty to provide, through its inspection teams, for the most exacting quality control of the materials, equipment and installations for the power capacities. But this activity is unsatisfactory and we should improve the inspections and increase the responsibility of those who perform them.

Development and application of technical measures to lower the specific consumption of fule in the coal-based power plants are further main objectives of the institute's researchers' and designers' efforts. It goes without saying that reductions in specific consumption permit corresponding gains in the electric power output, and scientific research and technological engineering have a broad field here, namely prevention or elimination of the causes of increased specific consumption and of technological consumption properly speaking; analysis and tight control of the inputs and possible deviations from the set standards, using electronic computers for the purpose, and modernizations permitting better combustion of the fuel. The same is true of the studies to reduce and and even eliminate consumption of hydrocarbon additives to sustain the flame in coal-burning boilers. A significant example is provided by the successful studies to modernize some boilers at the Oradea Heat and Electric Power Plant, causing them to operate at their normal discharge without the support of hydrocarbons.

The new coal-based heat and electric power plants are in advanced stages of design or construction. But we must redouble our efforts to determine optimal structures for the technological installations and to make the quality specifications for the equipment to be used, especially for their approval, inspection and activation. A high operating quality of the coal-burning 420 tons per hour steam boilers requires the most immediate solution possible of all technical problems that are still unclear by the joint efforts of the energy engineering researchers and the specialists in heavy equipment construction in order to prevent any delays in activating the new heat and power units. It is also highly important to develop modern methods of managing solid fuel in power plants, to further determine the main energy characteristics of the fuel, and to mechanize and automate unloading and handling of the coals, especially under difficulr climatic conditions. All these affect automation of the energy processes properly speaking, with direct consequences for reduced specific consumption, greater operating safety and better labor productivity.

Complete, Most Efficient Use of All Energy Resources

The program to develop energy production calls for complete use of the national energy potential, and exploitation of the hydropower resources has an important role in this. Naturally hydropower improvements of the national territory began with the capacities with the most favorable natural conditions permitting high technical-economic indicators for investments and operation. As a rule the new hydroelectric power plants are built under increasingly difficult natural conditions the further the hydropower potential is exploited, so that the specific investments tend to increase and the technical-economic indicators tend to deteriorate. Therefore we must provide, through our pertinent institutes and jointly with those that design hydropower equipment, new measures to restrict the effects of those trends in order to accelerate the program to build hydroelectric power plants (especially the small ones) and make it cheaper.

Cutting costs through new designs and innovations (of course with no losses in quality, safety, performance or economically effective operation) is an urgent task of scientific research and design applying to all kinds of energy investment projects. Decreasing the investments by means of new technical and building methods will lead to faster construction of more energy capacities with the same financial and material resources, thus meeting the energy requirement sooner for further intensive development of the national economy. It is also a priority requirement to reduce the energy consumed in building the energy constructions themselves (both that incorporated in the construction materials and that at the construction site) by using new building and technological procedures.

Our institute also has important tasks in connection with punctual and optimal implementation of the construction program for nuclear-electric power plants. The energy engineering researchers and designers are concentrating on developing technological and structural measures for the installations in these plants and especially for their traditional, nonnuclear components (boilers, turbines, generators, auxiliary equipment, hydraulic circuits, internal services etc.) In fact even the design and construction of the traditional components of the nuclear power plants require measures quite different from those used in the thermoelectric power plants as well as materials meeting particular quality specifications and equipment and installations with high operating parameters. Research efforts are also being made to perfect the cooling systems of the nuclear-electric power plants and to recover the residual heat as well, since the nuclear plants require far more cooling water than the traditional ones do.

In order to permit future development of the applications of nuclear energy, the researchers and designers will now prepare the plans and technological measures for the use of nuclear reactors in heat supply installations, both by designing heating and nuclear electric power plants, permitting better use of the nuclear fuel, and by creating thermonuclear power plants capable of supplying medium-size urban localities with heat. Studies must also be developed to start new and more advanced generations of reactors including those with rapid neutrons.

In regard to the technologies for exploiting the new and renewable energy sources (solar, wind-power, geothermal, biogas, biomass etc.), in addition to the novelty and diversity of the particular technical measures the close association should be pointed out that we must make between the technologies for receiving and converting the energy and those for effective use of the obtained energy in local installations. In this field too the chief research effort will be to develop technologies, materials and building methods that will permit greater productivity and economic effectiveness in exploitation of renewable energy sources, especially by standardizing and industrializing the production of the components and subassemblies.

Contribution of Scientific Research to Energy Restructuring

Pursuant to the party policies, a process of twofold energy restructuring is being promoted in Romania, namely replacement of petroleum and natural gases by low-grade coal, hydraulic energy, nuclear energy and new sources accompanied by a shift from energy-intensive economic development to one based on better conservation and use of energy. Both aspects of this process inherently require scientific research and technological development because it cannot succeed with the well-know, routine technical procedures but only with the latest advances of contemporary science and technology. As Nicolae Ceausescu pointed out in his address to the Congress on Science and Education, "Humanity is in a developmental stage wherein science is the strongest force for economic and social progress. Accordingly we must not for a moment forget that socialist and communist construction is possible only on the basis of the latest advances of science and technology and on the basis of human knowledge in general."

In accordance with the policies set by the 13th Party Congress, the 1986-1990 Five-Year Plan will specially emphasize the transition from extensive to intensive development in the economy and in all activities. Intensive development requires the most efficient possible use of energy resources providing for steady economic progress while the growth of energy consumption is limited and the energy we have is conserved. To this end, in addition to accentuated development of the sectors and subsectors with a high degree of processing while limiting development or even minimizing the production of the energy-intensive subsectors and processes, it is an important objective to perfect the technologies and technological installations in all energy-consuming processes, so that specific energy consumption will be reduced by technical progress and especially by perfecting the organization and management of the technological processes and the economic activities.

Achievement of a high quality in production and investments, through planning and execution on a competitive level, is essential to the lowest possible energy inputs. At the same time high-quality planning and execution permit increased production of primary energy resources and electric power through energy investment projects that will reach their planned parameters rapidly and maintain them steadily, delivering the entire planned quantity of energy.

In view of these requirements and the major aims set for the next five-year pla the units of the Central Institute for Energy Research will do intensive work in scientific research and technological engineering. In keeping with the tasks assigned at the meeting of the Political Executive Committee of the RCP Central Committeeon 7 December 1985, we shall give priority to studies for expediting, assimilating and introducing production of technologies and products consuming less materials and energy, limiting all capacities to their planned inputs, and modernizing obsolete installations and equipment, for purposes of complete implementation of the adopted programs. The technological experts and energy engineers in the consumer sectors will also contribute directly to the solution of these problems. As Nicolae Ceausescu said at the Plenum of the RCP Central Committee in November 1985, "More responsible action must be taken in all sectors to apply the new technologies for reducing the energy inputs, which are still very high."

Our institute also has extensive tasks (in conformity with the functions as sole administrator of all energy sources assigned the Ministry of Electric Power by the party and state administrations) in connection with solving the problems of correlation among sectors and for all sectors; determining optimal technological energy connections and channels on the scale of the national economy; solving complex energy problems, wherein the energy supply methods (sometimes with different kinds of carriers) are closely connected with those for using the energy; initiating, preparing and perseveringly promoting measures for general use (applicable to various kinds of processes) for exploiting, conserving and recovering energy, including standardization of the installations and the sizes of the energy equipment and parameters; development of uniform methodologies for regulating energy inputs; uniform analysis of the levels and effectiveness of the use of energy in various sectors and activities in the economy, etc.

In the future the main directions of technical progress in conservation of energy, toward which our research will be directed in correlation with the technological studies in all the consumer sectors, concern application of new technological principles instead of the energy-intensive ones in order to cut the losses considerably in the stage of final use of energy; combining technological flows for maximum use of the energy contained in the primary energy resources, and complete and most efficient use of the material and energy resources by means of technologies that forestall any waste or cause minimum waste. We are going to prepare for this future now through scientific and technical studies, including basic research. As Academician Dr Eng Elena Ceausescu, chairman of the National Council for Science and Education, pointed out in her speech at the conclusion of the proceeding of the Congress on Science and Education, "Along with the gain in energy production the researchers must prepare the most rational standards for energy consumption and help to perfect the installations for recovery and recycling and to replace the energy-intensive technologies so as to ensure in this way a reduction by at least 20 percent in energy and fuel consumption."

Aware of the great importance of the supply and efficient use of energy as an essential requirement for rapid development of the national economy and all society, all workers in scientific research, technological engineering and energy planning are firmly resolved to increase their efforts toward proper operation of the installations for producing, transporting and distributing heat and electric power and toward further improvement of all activity in this important sector of socialist construction in Romania.

5186
CSO: 2700/94

PAPER ASSESSES RISE IN CONSUMPTION STATISTICS

Prague RUDE PRAVO in Czech 29 Dec 85 p 5

[Text] An important factor in the rise of standard of living is the volume of consumed products and services. In terms of the consumption of basic foods and caloric intake per consumer, CSSR is reaching the level of the economically most developed countries in the world. According to the statistics of the World Organization for Agriculture and Nutrition, the daily caloric intake of a person living in the CSSR in 1980-1982 was 3508 calories, as opposed to, for example, 3544 in France, 3484 in NSR, 3553 in Netherlands, and 3210 in the United Kingdom. Before the war [WW II], the caloric value of foodstuffs consumed in our country was, in comparison to these countries, 10 to 20 percent lower.

Illustrative of the quantitative and qualitative rise in food consumption in CSSR is the per person meat consumption. Before the War, for example, it was one-third lower than in Austria, one-half in comparison with the United Kingdom. At present, consumption of meat per consumer in the CSSR equals that of a consumer in Austria and other capitalist countries, and is even higher than that of United Kingdom. Less satisfactory is the consumption of vegetables that, in comparison with other countries, remains lower.

Comparison of our households is also favorable in respect to home appliances with other economically developed countries. Practically speaking, all our households have a refrigerator and a washing machine. As for television sets per one thousand of population, the CSSR's level is comparable to that attained in other, economically developed countries. As for personal automobiles, CSSR ranks lower for the time being, but the disparity is diminishing steadily.

There has been also significant progress here in the area of housing. In the year 1984, there were 364 apartments per 1000 of population, which is nearly as mauch as in other European countries with good housing conditions. The CSSR has been prominent, by European and world standards, in the intensity of its housing construction. As to the average floor space of the newly built apartments, CSSR ranks among the leading CEMA countries, not reaching, however, the average size of newly built apartments in some developed capitalist countries. However, nearly all newly built apartments in CSSR are equipped with running water, a bathroom or shower, and a central heating system.

The rise in personal consumption is assured, above all, by the rise in wages. During 1970 through 1984, basic wages in CSSR have risen by more than 70 percent. The increase in personal income in the CSSR is not, as in the case of developed capitalist countries, offset by inflation. During the period of 1970 through 1984, the average rise of consumer prices in the CSSR was 21 percent. By contrast, during the same period consumer prices in Italy rose 553 percent, in the United Kingdom 381 percent, in France 275 percent, and in Austria 128 percent. At the same time the cost of foods in a number of capitalist countries has been rising more rapidly than the average of the price increase.

Part of the standard of living is also growth in culture, education and health care. In these areas, the level attained in CSSR is not only on a par with developed countries of the world, but in a number of areas it is even higher. There exists in the CSSR a network of cultural arrangements of all kinds that are accessible to all working people. Czechoslovak cultural activity is reaching a high, internationally recognized level. Education in Czechoslovakia is accessible to all segments of the population, with all expenditures for education paid for by the government. Similarly, health care is free in Czechoslovakia for all citizens and is assured throughout the entire country. The level of preventive health care is very high in our country. The rise in the number of health care professionals contributes, among other things, to the high level of health care in CSSR. According to the statistics of OSN, there is one physician for every 350 people, which ranks CSSR among the best in the world. In terms of hospital beds per 10,000 of population, CSSR surpasses a number of such developed countries, as for example, Belgium of France.

In socialist countries, as opposed to capitalist countries, the standard of living is not made up of consumption alone, whether material or cultural. Its integral part is the social certainty people have in the working process (the right to work and elimination of unemployment), the the pre-employment and post-employpment years, or at the time when a person of working age cannot, for reasons beyond his/her control, become part of the work process. In Czechoslovakia and other socialist countries the rise or maintenance of standard of living is affected by the use of resources from the public fund. Cost free education, medical care, support of young couples, contribution to certain needs (housing, services) etc. are financed from this fund. Benefits from government funded programs augment earnings in CSSR by about two-fifths.

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